CONDOMINIUM OFFERING PLAN

208 DELANCEY CONDOMINIUM

208 DELANCEY STREET
NEW YORK, NEW YORK 10002

85 Residential Units	**$104,565,000**
50 Storage Lockers	**$2,370,000**
4 Parking Units	**$625,000**
Total Offering Amount	**$107,560,000**

SPONSOR:

NERE LI Development LLC
4918 3rd Avenue
Brooklyn, New York 11220

SELLING AGENT:

Urban Compass Inc., d/b/a Compass
90 Fifth Avenue, 3rd Floor
New York, New York 10011
212-941-8420

Filing Date of this Offering Plan: _____, 20___. This Offering Plan may not be used after _____, 20___, unless this Offering Plan is extended by amendment.

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

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL RESIDENTIAL UNITS AFTER THE CONSUMMATION OF THE PLAN, THIS OFFERING PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE RESIDENTIAL UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THIS OFFERING PLAN. (SEE THE SECTION OF THIS OFFERING PLAN ENTITLED "SPECIAL RISKS") SPONSOR RESERVES THE UNCONDITIONAL RIGHT TO SELL THE UNITS IN SUCH ORDER OF PRIORITY AS IT MAY DETERMINE AND TO DELAY THE SALE OR RENTAL OF ONE OR MORE UNITS.

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

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PART I

CONDOMINIUM OFFERING PLAN

208 DELANCEY CONDOMINIUM
208 DELANCEY STREET
NEW YORK, NEW YORK 10002

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SPECIAL RISKS

Sponsor Control of the Condominium Board

1. (a) Sponsor will have control over the Condominium Board until the earliest to occur of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Residential Units offered for sale pursuant to the Plan; or (iii) the date on which Sponsor otherwise exercises its right to relinquish control of the Condominium Board ("Sponsor Control Period"). Notwithstanding the relinquishment of control by Sponsor, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including, without limitation, Sponsor's obligation to procure a PCO for the Building.

(b) Subsequent to the Sponsor Control Period, until the later to occur of (a) the second anniversary of the First Closing or (b) the Closing of Title to all Residential Units, Sponsor shall have the right to designate one (1) Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Members of the Condominium Board.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Members and shall have control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Residential Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period. Notwithstanding the expiration of the Sponsor Control Period, since Sponsor is retaining the unconditional right to rent (rather than sell) Residential Units and may continue to retain ownership of a majority of the Residential Units, Sponsor may indefinitely control the Condominium Board through its voting control. For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) ensure the health and safety of the occupants of the Condominium.

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

Purchase of a Condominium Unit

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

CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

(b) At the time Purchaser executes a Purchase Agreement, Purchaser will be required to deliver an Initial Deposit in an amount equal to 5% of the Purchase Price. At the earlier to occur of (i) 6 months after the date the Purchase Agreement is fully executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective, Purchaser will be required to deliver an Additional Deposit to Sponsor in an amount equal to 5% of the Purchase Price. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 10% of the Purchase Price.

(c) In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Purchase Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) all Deposits and any interest earned thereon and (b) Special Work Funds to the extent expended or committed plus an amount equal to the cost to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. See the section of the Plan entitled "Procedure to Purchase" for details.

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

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

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

(g) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Units, the Storage Lockers, the Building and all Common Elements contained in the Building. Sponsor has no

obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Storage Lockers, the Building or the Common Elements, except as may otherwise be set forth in the Plan.

(h) Special Work Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Special Work Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or to reimburse Sponsor, for such special work. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, or if Sponsor abandons the Plan, the Special Work Funds will be returned to Purchaser, to the extent not expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for special work.

(i) Sponsor reserves the unconditional right to sell the Units in such order of priority as it may determine and to delay the sale or rental of one or more Units. In addition, Sponsor reserves the unconditional right to limit the number of Units sold to any Purchaser and to make Bulk Sales. Purchasers of Bulk Sales shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Units. In the event of a Bulk Sale (or any dissolution or liquidation of Sponsor), the principal of the Sponsor will provide financially responsible entities or individuals to assume the status and obligations of Sponsor for those Units.

(j) See the sections of the Plan entitled "Procedure to Purchase," "Rights and Obligations of Sponsor" and the form of Purchase Agreement set forth in Part II for details.

Conveyance of Title

3. In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title to the Unit subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Right to Rent Unsold Units

4. (a) Sponsor intends, in good faith, to sell rather than rent Units. However, Sponsor reserves the unconditional right to rent rather than Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective (i.e., 13 Residential Units based on 85 Residential Units offered for sale) and therefore owner-occupants may never gain effective control and management of the Condominium.

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

Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units and those Residential Unit Owners who do not occupy Residential Units (including Sponsor) may have inherent conflicts on how the Condominium shall be managed because of their different reasons for purchasing (i.e. purchasing as a home as opposed to as an investment).

(c) See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.

Closing Costs

5. (a) Each Purchaser shall be required to pay the following fees and taxes associated with the purchase of his or her Unit: (i) Sponsor Closing Fees, (ii) New York City Real Property Transfer Tax ("RPT Tax") and New York State Real Estate Transfer Tax ("State Transfer Tax"), and (iii) New York Tax Law "additional tax," commonly referred to as the "mansion tax" ("Mansion Tax"). While the State Transfer Tax and RPT Tax are the statutory obligation of Sponsor (in its role as seller), this obligation has been transferred to the Purchasers under the terms of the Plan, as is typical and customary in the majority of offering plans filed with the Department of Law.

(b) The New York City Department of Finance has taken the position that where a purchaser of property assumes the obligation for the payment of the RPT Tax, the State Transfer Tax, and other fees that are generally obligations borne by a seller (which in this case includes Sponsor Closing Fees), those amounts will be treated as additional consideration for the transaction subject to tax. Upon adding these amounts to the Purchase Price of the Unit, the resulting sum ("Taxable Consideration") is used as the basis for the calculation of the RPT Tax and the State Transfer Tax payable by Purchaser at the Closing. As the Mansion Tax is a statutory obligation of Purchaser, the payment by Purchaser of the Mansion Tax is not treated as additional consideration for the transaction. However, the New York City Department of Finance has taken the position that the amount of Mansion Tax due at Closing (if any) is calculated based on the Taxable Consideration, as opposed to the Purchase Price, and therefore Purchasers should be aware that in some instances it is possible that the aforementioned "bulking up" of the consideration by virtue of the State Transfer Tax, RPT Tax, and other fees can ultimately cause a Purchase Price of less than $1,000,000 to exceed $1,000,000 in Taxable Consideration.

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

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

Reserve Fund and Working Capital Fund

6. (a) Schedule B - Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Residential Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises.

(b) The contingency line item provided for in Schedule B – First Year's Budget is intended to provide a fund for unanticipated expenses not included in the First Year's Budget and for possible increases in operating expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency line item is not intended, and may not be sufficient, to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

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

(d) See the section of the Plan entitled "Working Capital Fund and Apportionments" for details.

Foreign Government Purchaser

7. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e. diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date of the Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times. (See the section of the Plan entitled "Procedure to Purchase" for details.)

Parking Units

8. (a) Sponsor is offering Purchasers of Residential Units the opportunity to purchase Parking Units located on Floor 1 of the Building, subject to the availability thereof. Parking Units will be conveyed pursuant to a deed. Except for Parking Units owned by Sponsor or the Condominium Board, a Parking Unit may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Sponsor reserves the right to rent Unsold Parking Units to parties other than Residential Unit Owners. Any sale of a Residential Unit must be accompanied by the sale of any Parking Unit owned by the Residential Unit Owner. Each Parking Unit will be assigned a tax lot number and Parking Unit Owners, including Sponsor

with respect to Unsold Parking Units, will be responsible for paying real estate taxes assessed against each Parking Unit.

(b) The 4 Parking Units will be located in the Parking Unit Area on Floor 1. The Parking Unit Area will be unattended. To park their vehicles, Parking Unit Owners will open the garage gate on Pitt Street with remote controlled openers, enter the Parking Unit Area and self-park their vehicle in their Parking Unit. To exit the Parking Unit Area, Parking Unit Owners will open the garage gate with remote controlled opener.

(c) The risk of loss of any pets and/or personal property left in the vehicle shall be assumed solely by the Parking Unit Owner.

(d) Any standing or parking in the entrance to the Parking Unit Area, (i) which would prevent ingress or egress for other vehicles, or (ii) for other than a limited period of time for such pick-up or discharge of vehicles is strictly prohibited. The Building staff of the Condominium shall have the right to require any standing or parked vehicle determined to be in violation of these provisions (in their sole discretion) to immediately vacate the vehicle loading area or garage entrance.

(e) A Parking Unit may be used only for the parking of motorcycles or compact or subcompact passenger vehicles. The maximum dimensions of a vehicle are as follows: 6' wide by 15' in length. Notwithstanding the foregoing, purchasers are advised to inspect the Parking Unit and to ensure that Purchaser's make and model of vehicle can actually be accommodated in the Parking Unit prior to entering into an agreement to purchase same. Due to the existence of certain columns and walls in the Parking Unit Area, Parking Unit purchasers are advised to take great care when parking and exiting the Parking Unit. Sponsor shall not be liable for damage to a vehicle resulting from the size of the Parking Unit or the existence of any columns or walls located in or near the Parking Unit or Parking Unit Area.

(f) Parking Units are assigned. Thus, the purchase of a Parking Unit will grant the Purchaser the exclusive right to use the specific Parking Unit assigned for the parking of one vehicle for each Parking Unit purchased.

(g) Parking Unit Owners shall pay their pro-rata share of the projected costs incurred by the Condominium attributable to the operation of the Parking Unit Area, including, without limitation, costs associated with the maintenance and repair of the Parking Unit Area, labor, electricity, insurance, management fee, cleaning, maintenance, and/or other associated costs, to the extent applicable. Such costs shall be payable and collected as Common Charges. The failure of a Parking Unit Owner to pay its share of such costs will be treated by the Condominium Board as a failure to pay Common Charges.

(h) (1) As shown on the Floor Plans, the Parking Unit labeled "Parking #02" has been designated as a handicapped Parking Unit ("Handicapped Parking Unit") and will be the last Parking Unit sold unless sold to a Purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of the Handicapped Parking Unit and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

(2) In the event a present or future Residential Unit Owner, or a member of his or her family residing in the Residential Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and such Residential Unit Owner is the owner of a Parking Unit other than the Handicapped Parking Unit, such Residential Unit Owner may require the owner of the Handicapped Parking Unit to convey, by deed, the Handicapped Parking Unit he/she owns with such handicapped Residential Unit Owner's Parking Unit.

(3) In the event a present or future Residential Unit Owner or member of his or her family member residing in the Residential Unit, becomes handicapped and does not own a Parking Unit, such

Residential Unit Owner has the right to demand that the owner of the Handicapped Parking Unit convey the Handicapped Parking Unit at then current fair market value to such handicapped Residential Unit Owner.

(4) All costs and expenses associated with the transfer of title to the Parking Units contemplated by paragraphs (2) and (3) above, including, without limitation, title abstracts, title insurance, transfer taxes, recording fees and reasonable attorney fees shall be borne by the party acquiring the Handicapped Parking Unit. An owner of the Handicapped Parking Unit must comply with the aforementioned demand upon thirty (30) days' written notice.

(5) If the parties cannot agree on the fair market value of the Handicapped Parking Unit, the parties agree to submit the matter to binding arbitration in accordance with Article 10 of the By-Laws.

(i) See the section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Use of Units and Common Elements and "Description of Property and Improvements" for details.

Non-Resident Building Management

9. Prior to the First Closing, the Condominium Board will engage persons to perform janitorial services for the Building on a 24-hour-a-day basis. Sponsor reserves the right to substitute the janitorial services for an alternative arrangement but in all events shall provide for "adequate janitorial services" in compliance with the Administrative Code of the City of New York, § 27-2052 et seq. (See the section of the Plan entitled "Description of Property and Improvements" and Footnotes to Schedule B for details)

No Bond or Other Security Posted

10. To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. No bond or other security has been posted by Sponsor to secure Sponsor's obligation under the Plan. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Services and Facilities

11. (a) Purchasers are advised that some or all of the services and facilities described in the Plan (including, without limitation, a full staff of Building personnel and usage of amenity areas) may not be available until approximately 12 months after the First Closing, with the exception of the recreation rooms, which may not be available until 24 months after the First Closing. However, all services and facilities will be available within 24 months of the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Additionally, until certain occupancy levels in the Building are achieved, the hours and duties of the Building staff may be reduced. However, at all times after the First Closing of a Residential Unit, the lobby will be attended 24 hours a day, 7 days a week.

(b) Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after Purchaser's Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to reduce Common Charges for the period in which such services and/or facilities are not available.

(c) See the section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.

Temporary Certificate of Occupancy

12. (a) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by § 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the Buildings Department. A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor and its principal will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Residential Unit Owners or tenants of Residential Unit Owners, (iii) work undertaken in a Residential Unit by a Residential Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Residential Unit Owner to perform alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board or (v) any other cause over which Sponsor has no control. Neither Sponsor nor its principal makes any representation that the Buildings Department will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such 2 year period while keeping the TCO current. Residential Unit Owners and the Condominium 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 Residential Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principal are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Residential Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at http://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(b) The only construction prerequisite to Closing is the issuance of a TCO for the Residential Unit or a PCO 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."

(c) Notwithstanding anything to the contrary, Purchasers will be required to consummate the purchase of the Unit, on the one hand, and the Storage Locker and/or Parking Unit, on the other hand, simultaneously at Closing, even if the construction of the Storage Locker Area and/or the Parking Unit Area and/or the Storage Locker and/or Parking Unit is not yet completed and access to the Storage Locker and/or Parking Unit is not yet available. The issuance of a TCO or PCO for the Storage Locker Area and/or Parking Unit Area is not a prerequisite before Sponsor may require the Closing of title of a Unit and/or Storage Locker and/or Parking Unit . In such event, the proceeds from the sale of the Storage Locker and/or

Parking Unit will be held in the Storage Locker and/or Parking Unit Escrow until such time as access to the Storage Locker Area and/or Parking Unit Area and /or Storage Locker and/or Parking Unit is made available to Purchaser. The Storage Locker and/or Parking Unit Escrow will not be held in an interest-bearing escrow account, and therefore, Purchaser will earn no interest on the Storage Locker and/or Parking Unit Escrow.

(d) See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.

Ongoing Construction and Sales

13. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Residential Units, the Parking Units, the amenities and facilities, the Storage Lockers, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium Board 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 PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. Notwithstanding the foregoing, prior to the issuance of a PCO for the Building, Sponsor shall not allow conditions at the Building to fall below the warranty of habitability, as required by Law. Since it is anticipated that Building may be occupied by Unit Owners and/or tenants prior to the issuance of a PCO for the Building, a tenant protection plan will be activated and distributed to each such occupant, to the extent required by the Department of Buildings or applicable law.

(b) Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. It is both customary and anticipated that certain issues will arise during the course of the construction process that warrant the taking of corrective action, including the repair or replacement of construction defects in order to satisfy Sponsor's obligations under the Plan.

(c) No assurance can be given with regard to the accuracy of any projected completion dates set forth in the Plan. It is anticipated that during the first few years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period, various building systems, including but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser or any third party, nor will Purchaser be entitled to any credit, offset or reduction in purchase price or otherwise be relieved from any obligation under the Purchase Agreement: (i) as a result of any of the conditions described above; (ii) in the event of non-completion of any item of construction on any projected date; or (iii) compensation for the presence of scaffolding on any portion of the Building or any interruption of services in the Building.

(d) The Building will contain certain major mechanical equipment, including, but not limited to, the elevator machine rooms, fitness equipment, compactor room, fans, pumps, condenser units

(collectively, "Equipment") located on the Cellar Floor, Floor 1, Floor 2, and roof, respectively, which may cause noise and vibration throughout the Building. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment to maintain levels below lawful limits, it may be impossible to eliminate such noise and vibration entirely. As a result, Residential Units and amenity areas in close proximity may be affected.

(e) As is typical and customary in newly constructed or renovated buildings, the Building will be subject to normal settling, deflection, expansion, contraction and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Residential Unit Owner of any conditions resulting from normal settling, deflection, expansion, contraction or shifting (if any), including, without limitation, any cracks in the crown molding, minor gapping in the flooring, uneven ceilings or floors, or walls, or floor buckling. Additionally, Purchasers should note that since the ceramic, stone and engineered wood finishing installed throughout the Residential Units to the extent applicable (in areas including, but not limited to, flooring, walls, countertops, backsplash and vanity tops) are cut from different slabs manufactured in different batches, manufactured in different batches and are comprised of natural materials, there will be variations in the tone and color of such finishes. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(f) During the time that Residential Units are being offered for sale by Sponsor pursuant to the terms of the Plan, there may be an increased number of visitors to the Building. No representation or warranty is made and no assurance is given as to when Sponsor's selling activity will terminate. Sponsor, the Managing Agent, and their respective representatives shall not be responsible or liable for any personal injury or for any loss or damage to the personal property in the Building that may occur as a result, unless arising from gross negligence, bad faith, or willful misconduct on the part of Sponsor, Managing Agent, and/or their respective representatives.

(g) See the sections of the Plan entitled "Rights and Obligations of Sponsor" and "Description of Property and Improvements" subsection "Services and Facilities" for details.

Apportionments with the Condominium

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

Window Treatments

15. In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. (See the section of the Plan entitled "Rights and Obligations of Unit Owners" for details.)

Effectiveness of the Plan

16. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Residential Units offered for sale (i.e., 13 Residential Units based on 85 Residential Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with

fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Residential Units. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law. (See the section of the Plan entitled "Effective Date" for details.)

Purchase Agreement Not Contingent on Financing

17. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Unit is not contingent on Purchaser obtaining financing. In the event a Purchaser defaults under a Purchase Agreement beyond all applicable cure periods for any reason whatsoever, including, without limitation, any inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement. While the First Closing of a Residential Unit is projected to occur on or around August 1, 2022, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the percentage of units purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

(c) Even after the Building has been submitted to a condominium regime, lenders may still impose minimum sales and/or owner-occupancy requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements.

(d) See the section of the Plan entitled "Procedure to Purchase" for details.

Special Rights of Sponsor

18. (a) Sponsor and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Residential Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Limited Common Elements) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, including, without limitation, the right to erect, maintain, replace and/or repair

any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Residential Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by Permitted Users. Sponsor reserves the right to install fireplace flues and mechanical equipment on the roof of the Building. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Residential Unit Owner provided that (i) such Common Element was not offered in the Plan as an amenity for the shared use of the Residential Unit Owners of the Condominium and (ii) if subsequent to the recordation of the Declaration, such transfer does not affect the allocation of Common Interest among the Residential Units owned by Residential Unit Owners other than Sponsor (without such Residential Unit Owners' consent). Any such sale, lease, license or transfer will (i) not require the consent of any Purchaser, (ii) be disclosed in a duly filed amendment to the Plan, and (iii) be reflected in an amendment to the Declaration and Tax Lot Drawings, if required. (See the sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board ("Waiver Period") provided the basic operating costs of the Condominium, including without limitation any insurance premiums and reserves required by lenders (collectively, "Operating Costs") are paid by either (i) Sponsor ("Sponsor Paid Waiver Period") or (ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, in proportion to their respective percentages of Common Interest ("Unit Owners Paid Waiver Period"). If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the expiration date of the Waiver Period and (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or an Unit Owners Paid Waiver Period. Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g. seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Also, as more fully set forth in special risk #14 of the Plan, given that the completion and/or availability of amenities, services, and/or facilities may be limited or restricted for a period of time following the First Closing depending on ongoing construction and/or the occupancy level in the Building, it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases and the construction of the Building progresses. In the event the Condominium Board thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of any new Waiver Periods at least thirty (30) days prior to expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers are advised that during any Waiver Period (regardless whether the waiver period is a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period), Unit Owners will remain responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including, without limitation, as applicable, real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of

interior repairs and decorations to the Unit. (See the section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Residential Units, or due to structural, architectural or mechanical considerations or field conditions arising during construction provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Residential Unit Owner or Purchaser, increase any obligation of a Residential Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of Equal or Better Quality. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. In addition, Sponsor reserves the right to change and/or modify in its sole discretion the direction of any door swing, cabinet door swing, or appliance door swing shown on the Floor Plans, or the number and location of access panels necessary for maintenance or repair of mechanical, electrical, plumbing, or other equipment or systems, or otherwise. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective against Sponsor unless Sponsor has given its prior written consent. (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Lot Line Window

19. There is only one lot line window in the Building: in the living room of Unit PH2 on the twelfth floor. This lot line window is located on an exterior wall that is a maximum 3'0" from the lot line, where the adjacent property is owned by others. While such window provides views, light and air to spaces in the Residential Unit, it cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Unit PH2 has other windows which satisfy requirements for the lawful use of such Residential Unit for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it is customary in the industry for such abutting property owner to pay all costs and expenses associated with closing up any lot line windows, to the extent required. If for any reason the abutting property owner does not agree to perform such work and/or pay for the costs thereof, the responsibility to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium (including all costs and expenses associated therewith, currently estimated to be approximately $2,000 to $5,000 per window) shall remain solely with the affected Residential Unit Owner, including Sponsor with respect to Unsold Residential Units, as applicable). This projected cost may increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required, including, without limitation, any obligation to pay any costs or expenses associated therewith or to induce or cause any abutting property owner to pay such the costs or expenses. (See the section of the Plan entitled "Rights and Obligations of Unit Owners" and the Floor Plans set forth in Part II of the Plan for details.)

Future Construction

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

Residential Unit Measurements

21. Floor Plans depicting proposed layouts of Residential Units, Parking Units and Storage Lockers appear in Part II of the Plan. Each Residential Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, that all columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Residential Unit. Each Residential Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square footages may significantly exceed the usable floor area of each Residential Unit. (See the footnotes in the section of the Plan entitled "Schedule A – Purchase Prices and Related Information" and the section of the Plan entitled "Description of Property and Improvements" set forth in Part II for details.

City Noise; Active Subway Adjacent to Property

22. Purchasers are advised that, as is standard and typical for buildings located in Manhattan, the surrounding metropolitan area may produce noise, traffic, fumes, odors, vibrations, or other disturbances over which Sponsor, the Condominium Board and the Residential Unit Owners may have no control. Additionally, across Delancey Street from the Property and running east-west between Manhattan and Brooklyn, is the Williamsburg Bridge, on which an active, above-grade New York City subway track runs ("Subway Track"). Purchasers are advised that noise and/or vibration may be experienced by occupants in the Building when subway trains are travelling along the Subway Track. Vehicular traffic also crosses the Williamsburg Bridge, which may also lead to noise and/or vibration being experienced by occupants in the Building.

Window Guards / Legally Compliant Window Stops

23. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be borne by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) otherwise ensure that all operable windows located in the Residential Unit comply with Laws relating to window guards and/or window stops. Sponsor makes no representation whether or not Residential Unit Owners will comply with the foregoing obligations. (See the "Rules and Regulations" annexed to the By-Laws set forth in Part II of the Plan for details.)

Excess Development Rights

24. Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Residential Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Residential Units and/or Terraces may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used

to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See the section of the Plan entitled "Rights and Obligations of Sponsor" and the Declaration in Part II of the Plan for details.)

Marketing Materials

25. 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 Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that any such FFE will be located within any portion of the Building or Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Units that differ from the designations utilized on the Floor Plans of the Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. (See the section of the Plan entitled "Rights and Obligations of Sponsor.")

Wood Products

26. Purchasers should note that wood products have certain inherent risks. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: cracks between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. The foregoing items may affect light-colored wood more noticeably. Additionally, wood products are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). These variations may occur between (a) pieces of wood taken from the same tree, (b) wood products located in the same area of the Residential Unit, and/or (c) pieces of wood in a Residential Unit and samples shown by the Selling Agent. Wood products can also be affected by exposure to light and may darken, lighten, fade, and otherwise change with use and age and can expand and contract given changes in temperature and humidity. Protective felt pads and protective sheeting (such as plywood or masonite) should always be used on wood flooring when placing furniture or appliances to avoid denting. As recommended by the National Wood Flooring Association, Residential Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with the manufacturer's recommendations. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. (See the section of the Plan entitled "Rights and Obligations Residential Unit Owners.")

Certain Post Closing Restrictions

27. (a) A Unit Owner who acquired title to the Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the Closing of its Unit (whether a Residential Unit or Parking Unit) from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering,

promoting or publicizing the availability of such Unit for sale. The prohibitions set forth in (i) through (iii) above may be waived by Sponsor upon the Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-Laws for further details.

(b) Each Residential Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement ("Resale Agreement") to sell such Residential Unit ("Resale") prior to the first anniversary of the closing of such Sponsor Sale shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to provide Sponsor with Notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Unit Owner, and (3) actual legal fees not exceeding $5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for further details.) For the avoidance of doubt, the Resale Fee shall not be applicable in the event a Residential Unit Owner leases, rather than sells, its Residential Unit prior to the first anniversary of the Sponsor Sale of such Residential Unit.

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

28. Consistent with a recent decision of the New York State Appellate Division of the Supreme Court, First Judicial Department, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al, 106 A.D. 3d 542 (1st Dept. 2013). (See the form of "Purchase Agreement" set forth in Part II of the Plan.)

Insurance / Property Outside of Flood Zone

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

(b) Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Residential Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

(c) Sponsor has been advised by its architect that the Property is in Zone X, an area of minimal flood hazard, as indicated on FEMA map No. 3604970203F, revised 9/5/2007. Thus, the Property is not in danger of flooding, either due to water table in the area or an overflow from other bodies of water. However, Sponsor is advised that the New York City flood zone map is being updated post-Super Storm

Sandy. 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 additional flood insurance, Purchaser will be obligated to obtain such supplemental dwelling flood policy at Purchaser's sole cost and expense.

(d) See the section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" for details.

Natural Stone Surfaces

30. (a) Certain surfaces in the Residential Units may consist of natural stone. Purchasers should be aware that natural stone can be porous and calciferous, with the potential to absorb and/or chemically react to certain substances. As a result, Purchasers are advised that contact with certain liquids or other substances may result in discoloration or etching.

(b) To reduce (but not eliminate) the possibility of discoloration and/or etching, Sponsor will apply a sealer to natural stone surfaces in the Residential Units prior to delivery of such Residential Unit to Purchaser, in which event all decisions with respect to selecting the professionals and the products shall be made by Sponsor in its sole discretion. Purchasers are advised that the application of a sealer to the stone does not in any way guarantee that future discoloration or etching will not occur. Furthermore, it will be each Residential Unit Owner's obligation to maintain the natural stone, including any obligation to engage a professional to reapply the sealer at regular intervals. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the appearance of natural stone surfaces.

(c) See the section of the Plan entitled "Rights and Obligations Residential Unit Owners."

Fannie Mae and FHA

31. While Sponsor does not intend to submit an application to either Federal National Mortgage Association ("Fannie Mae") or the Federal Housing Administration ("FHA") to have the Condominium added to their respective lists of "approved" condominiums, in the event that any such applications were to be submitted, there is no guarantee or assurance that (a) such applications would satisfy Fannie Mae's and/or FHA's criteria for approval, (b) even if either or both Fannie Mae and FHA requirements are satisfied, that the Condominium will continue to satisfy such criteria, or (c) Purchasers would be able to obtain mortgages insured by Fannie Mae and/or FHA. No Purchaser shall be entitled to rescind any Purchase Agreement for any failure by Sponsor to either apply to Fannie Mae and/or FHA or to have any such application approved. Purchasers are advised that, in the event any applications to Fannie Mae or FHA are submitted and approved, Fannie Mae and FHA require a certain percentage of the total First Year's Budget to be placed in a reserve fund, which would accordingly result in an increase to the estimated Common Charges for the Residential Units for the First Year of Condominium Operation. If such increase is implemented subsequent to the First Year's Budget and the total Common Charge projections in the amended First Year's Budget exceed those in the latest First Year's Budget set forth in the Plan by 25% or more in aggregate, Sponsor will, in the amendment disclosing such updated First Year's Budget, offer all Purchasers the right, for 15 days from the Presentation Date of the amendment disclosing such updated budget, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon except for any Special Work Funds to the extent that such Special Work Funds have been expended (provided, however, that nothing contained herein shall deprive Sponsor of any right to pursue all of its legal remedies for a breach of a Purchase Agreement prior to an offer of rescission, including, terminating the Purchase Agreement of a Purchaser who is in default beyond the expiration of any applicable grace period). (See the section of the Plan entitled "Procedure to Purchase.")

Principal of Sponsor

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

Financial Crimes Enforcement Network Disclosure

33. For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order ("Order") to collect information about certain transactions, which applies to any corporation, partnership, limited liability company, or other similar business entity whether formed under the laws of a state, or of the United States, or a foreign jurisdiction, other than a business whose common stock or analogous equity interests are listed on a securities exchange regulated by the Security Exchange Commission ("SEC") or a self-regulated organization registered with the SEC, or an entity solely owned by such a business using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of this Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until May 9, 2020 but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company. (See the section of the Plan entitled "Procedure to Purchase.")

Use and Occupancy Agreements

34. If Sponsor elects to grant a Purchaser occupancy of a Residential Unit pursuant to the terms of a Use and Occupancy Agreement prior to Closing, then such Use and Occupancy Agreement shall provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement shall provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement and to exercise any remedies provided therein. However, prior to Sponsor utilizing the default under the Use and Occupancy Agreement to declare a default under the Purchase Agreement, Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser unless the Purchaser has vacated the Residential Unit. In the event a Purchaser is permitted to take possession of the Unsold Residential Unit prior to Closing, such Purchaser will be required to obtain third party premises liability insurance and property insurance for their own benefit in such amounts as determined by Sponsor. A Purchaser who takes possession of a Residential Unit prior to Closing assumes the risk of loss not covered by insurance. Purchasers are advised to consult an insurance professional regarding obtaining personal property and liability coverage as required or in addition to the insurance required by the Condominium Board

pursuant to the By-Laws of the Condominium. (See the section of the Plan entitled "Use and Occupancy Agreements" for details.)

First Closing and Subsequent Closings

35. (a) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the First Closing to take place on or about August 1, 2022. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Even if the First Closing occurs 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 is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A UNIT.

(b) In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more in aggregate, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days from the presentation date of the amendment disclosing such updated budget, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon except for any Special Work Funds to the extent that such Special Work Funds have been expended (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).

(c) As set forth in the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Sponsor shall have no liability for any losses incurred by Purchaser as a result of such adjournment, including, without limitation, any costs associated with Purchaser's financing arrangements, travel or lodging expenses, fees associated with transfers of funds, and lost interest on liquidated assets.

Loss or Damage from Power Outages

36. The Building shall not be serviced by an emergency generator, and the Condominium Board, Sponsor, and their respective Permitted Users shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other such causes in or around the Building, including, without limitation, in Residential Units, Parking Unit, and/or the Storage Locker Areas. Any loss or damage in any Unit as a result thereof shall be borne by the respective Unit Owner, as applicable.

Smoking Policy

37. (a) The Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York. As a summary of the Smoking Policy, smoking is permitted within a Residential Unit and on a Terrace or balcony appurtenant to a Residential Unit, but is not permitted in any of the Building's common areas. Purchasers are advised to refer to Part II of the Plan to read the Smoking Policy in its entirety.

(b) Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including, without limitation, the imposition of fines or penalties against the Residential Unit Owner. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Rules and Regulations, including, without limitation, to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

(c) See the section of the Plan entitled "Rights and Obligations of Unit Owners."

Façade Inspection Safety Program

38. The Façade Inspection Safety Program (formerly Local Law 11.98), which has been incorporated into the Administrative Code as section 28.302.1 ("FISP") shall apply to the Building. In accordance with FISP, the Condominium Board is responsible for scheduling inspections of the physical condition of the exterior walls and any terrace/balcony railings and guards (including fire escapes) of the Building and submitting a technical report thereof with the Buildings Department every five (5) years. The cost and expense thereof, including the cost of any repairs or maintenance to the façade or other parts of the Building as a result of such inspections, shall be borne by the Condominium and shall be charged to all Residential Unit Owners as a Common Expense (subject to any rights by the Condominium Board to draw from the Working Capital Fund, in its sole discretion). (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/ Summary of By-Laws.")

Notice Disclosure

39. Each Residential Unit Owner must carpet at least 80% of the floor space of each room of the Residential Unit, except in the kitchen, pantry, and bathrooms. If wall to wall carpeting is installed, the tacking strip must be glued and not nailed to the floor. Any wall to wall carpeting shall only be installed with water soluble glue adhesive or no adhesive or other products used shall damage the underlying flooring in any way. Each Residential Unit Owner shall be responsible for any damage to the flooring caused by any carpet installation.

While compliance with the above requirements is intended to insulate against and reduce the transmission of sound from one Residential Unit to another Residential Unit, Residential Unit Owners should understand that no amount of sound insulation, carpeting or other material can guaranty the elimination of all sound transmission from one Residential Unit to another Residential Unit. It is generally well recognized by the courts (a) that "apartment-house living in a metropolitan area is attended with certain well-known

inconveniences and discomforts and one cannot expect a noise-free environment," (*Mariani v. Rogers*, 25 Misc.3d 1206A, 901 NYS2d 907 (City Ct. 2009) (quoting *Smalkowski v. Vernon*, 2001 WL 914248 (NY Civ. Ct., Kings Co., 2001)) and (b) that "if one lives in the city he must expect to suffer the dirt, smoke, noise, odors and confusion incident to city life." (*Nussbaum v. Lacopo*, 27 NY2d 311, 315 (1970) (quoting *Campbell v. Seaman*, 63 N.Y. 568, 577 (1876).

Adjacent Parcel and Light and Air Easement

40. The Condominium will comprise the land designated, as of the Filing Date of the Plan, as Block 343, Lot 68, in the County of New York, Borough of Manhattan, City and State of New York, and known by the street address 208 Delancey Street, New York, New York ("Property"). A parcel adjacent to the Property to the north is Block 343, Lot 67 and known by the street address 53 Pitt Street, New York, New York ("Adjacent Parcel"). The Building is intended to be constructed adjacent to the Adjacent Parcel. The prior owner of the Property, Delancey Bridge Tower Inc., entered into a certain light and air easement agreement with the owner of the Adjacent Parcel, dated April 30, 2012 and recorded in the Register's Office on October 9, 2012 in CRFN 2012000399691 ("Light and Air Easement"). A roughly 30' X 30' area in the northwest corner of the Property, beginning at a height of 13' above the sidewalk is burdened by the Light and Air Easement ("Easement Area") as more particularly described in the Light and Air Easement. Pursuant to the Light and Air Easement, Delancey Bridge Tower Inc. granted the owner of the Adjacent Parcel a permanent and perpetual easement for light and air of the Easement Area; the Easement Area must be maintained, kept clear and unobstructed.

Purchasers are advised that as a result of the Light and Air Easement benefiting the owner of the Adjacent Parcel, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner into the volume of space covered by the Light and Air Easement will not be possible. Except to the extent set forth herein, Sponsor does not anticipate that the Light and Air Easement will materially restrict or impact the Condominium.

Non-Habitable and Below Grade Unit Spaces

41. Certain Units contain space that may not legally be used as a bedroom, living room or for cooking purpose due to a lack of natural light and ventilation or inadequate room size. Specifically, the room "Den" in Units 3J, 4J, 5I and 6I.

Despite being in the cellar, Unit 1B and Unit 1D have habitable rooms on such floor. The living/dining area and kitchen in Unit Garden A and the bedroom, living/dining room and kitchen in Unit Garden B are habitable; all are in compliance with code requirements for size, natural light and ventilation according to Sponsor's Architect. Purchasers should note, however, that below grade spaces are more susceptible to dampness and moisture.

Casualty Loss

42. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made in Sponsor's sole discretion within sixty (60) days of the damage to the Unit), or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon and any Special Work Funds to the extent that such Special Work Funds have not been expended within thirty (30) business days of Sponsor's election not to repair or restore the Residential Unit or the Residential Unit Owners' resolution not to make such repairs or restoration, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase

Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Force Majeure

43. In the event that any obligation or undertaking of Sponsor under the Purchase Agreement (including, without limitation, any fully-executed rider to the Purchase Agreement) is prevented, delayed or hindered by Force Majeure, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the duration of the Force Majeure and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under the Purchase Agreement. However, none of Purchaser's rights under the applicable regulations promulgated by the Attorney General, Article 23 of the General Business Law or under the Plan shall be abridged by virtue of Force Majeure except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. **Purchasers are specifically advised that the timing of the closing of title to the Unit may be significantly delayed in the event that Sponsor exercises its tolling rights under the foregoing Force Majeure provision. The Attorney General recommends that Purchasers consult with their attorneys as to: (i) whether there exists a final decision or order by a court of competent jurisdiction or any governmental agency, or executive order that impacts the timing of Purchaser's obligations under the Purchase Agreement; and (ii) any risks associated with executing a Purchase Agreement containing the foregoing Force Majeure provision prior to executing the Purchase Agreement.**

Potential Stumbling Hazard

44. A convenience stair is located in Unit PH5 connecting the Penthouse Floor with the Main Roof for use by Unit PH5 owner and its occupants. This an interior stair constructed of wood and will have closed oak risers, oak treads and have painted steel railings. The geometry of the winder treads does not comply with egress stair requirements from the 2008 New York City building code; however, this stair is not to be used for egress purposes. Primary egress stairs A and B connect these two floors and are used for egress purposes. Purchasers should note that because the winder treads converge to a point, occupants of Unit PH5 should take caution of this potential stumbling hazard.

Pending DOB Filing

45. Sponsor's Architect has prepared a PW1A to reflect the existence of the common roof terrace and maximum number of occupants thereon (i.e., 5 persons) and in order to be consistent with the roof Floor Plan in Part II. Sponsor's architect estimates that the PW1A will be approved by the DOB by approximately the end of February 2021.

INTRODUCTION

Nature of the Transaction

NERE LI Development LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of New York. Sponsor acquired the Property on December 15, 2017 from Delancey Bridge Tower Inc.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as 208 Delancey Condominium and located at 208 Delancey Street, New York, New York 10002 ("Property") and shall be subject to and compliant with the Condominium Act.

The principal of Sponsor (as such term is defined in the Department of Law's regulations) is Bentley Zhao. (See the sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principal" in Part II of the Plan for details.)

The Condominium will initially contain the following components: (a) 85 Residential Units, (b) 50 Storage Lockers, and (c) 4 Parking Units.

The Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering of the Residential Units, Storage Lockers and Parking Units by Sponsor. No other portion of the Condominium is offered for sale hereunder. The Plan is subject to and complies with the New York Condominium Act and contains all of the detailed terms of the transaction.

Sponsor may from time to time amend the Plan by filing an amendment with the Department of Law and serving such amendment on Purchasers, Residential Unit Owners, and any other person entitled to service pursuant to Law.

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

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

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

The Property

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the First Closing to take place on or about August 1, 2022. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Even if the First Closing occurs 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 is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more in aggregate, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days from the Presentation Date of the amendment disclosing such updated budget, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon except for any Special Work Funds to the extent that such Special Work Funds have been expended (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).

As set forth in the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Sponsor shall have no liability for any losses incurred by Purchaser as a result of such adjournment, including, without limitation, any costs associated with Purchaser's financing arrangements, travel or lodging expenses, fees associated with transfers of funds, and lost interest on liquidated assets.

A detailed description of the Property is contained in the section of the Plan entitled "Description of Property and Improvements" set forth in Part I of the Plan.

Offering of Residential Units for Sale

Sponsor offers the Residential Units for sale pursuant to the Plan. The Purchase Prices for each of the Residential Units are listed in the section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT

SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Offering of Parking Units for Sale

Sponsor offers the Parking Units for sale pursuant to the Plan. The Purchase Prices for each of the Parking Units are listed in the section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A").

Parking Units will be conveyed pursuant to a deed. Except for Parking Units owned by Sponsor or the Condominium Board, a Parking Unit may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Any sale of a Residential Unit must be accompanied by the sale of any Parking Unit owned by the Residential Unit Owner. The Purchase Price for each Parking Unit is listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor reserves the unconditional right to sell the Parking Units in such order of priority as it may determine and to delay the sale of one or more Parking Units. Sponsor reserves the right to rent Unsold Parking Units to parties other than Residential Unit Owners. In addition, Sponsor reserves the unconditional right to limit the number of Parking Units sold to any Purchaser and to make bulk sales of Parking Units.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Unit, Sponsor reserves the right to withdraw the offering of any particular Parking Unit. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Unit, Sponsor may withdraw or reduce the offering of any other Parking Units but only to the extent that such withdrawal or reduction does not affect any Parking Units already subject to a Purchase Agreement. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Parking Units, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize the Parking Unit Area and the Parking Units for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Parking Units, and (ii) who have entered into Purchase Agreements for Parking Units unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

Offering of Storage Lockers for Sale

Sponsor offers the Storage Lockers for sale pursuant to the Plan. The Storage Lockers will be conveyed pursuant to a license agreement, the form of which is set forth in Part II of the Plan ("Storage Locker License"). A Storage Locker may only be purchased by a Purchaser of a Residential Unit. The Purchase Price for each of the Storage Lockers is listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

Although the Storage Locker Area is a Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Lockers located in the Storage Locker Area and retain all proceeds of such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers. A Storage Locker may only be licensed or assigned to another Residential Unit Owner

or a Purchaser who is simultaneously purchasing a Residential Unit. In no event shall a Storage Locker be transferred independently of the ownership of a Residential Unit.

Sponsor reserves the unconditional right to sell the Storage Lockers in such order of priority as it may determine and to delay the sale of one or more Storage Lockers. In addition, Sponsor reserves the unconditional right to limit the number of Storage Lockers sold to any Purchaser and to make bulk sales.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker, Sponsor reserves the right to withdraw the offering of any particular Storage Locker. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker, Sponsor may withdraw or reduce the offering of any other Storage Lockers but only to the extent that such withdrawal or reduction does not affect any Storage Lockers already subject to Purchase Agreements. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Storage Lockers, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Storage Locker Areas and Unsold Storage Lockers for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Lockers, and (ii) who have entered into Purchase Agreements for Storage Lockers unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

Conveyance of Title

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Residential Unit to make title insurable or to eliminate any encumbrances or title defects. (See the section of the Plan entitled "Terms of Sale" for details.)

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

Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective (i.e., 13 Residential Units based on 85 Residential Units offered for sale) and therefore owner-occupants may never gain effective control and management of the Condominium.

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

of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units and those Residential Unit Owners who do not occupy Residential Units (including Sponsor) may have inherent conflicts on how the Condominium shall be managed because of their different reasons for purchasing (i.e. purchasing as a home as opposed to as an investment).

Sponsor reserves the unconditional right to sell Residential Units in such order of priority as it may determine and to delay the sale of one or more Units. In addition, Sponsor reserves the unconditional right to limit the number of Units sold to any Purchaser and to make Bulk Sales. Purchasers of Bulk Sales shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Residential Units. In the event of a Bulk Sale (or any dissolution or liquidation of Sponsor), the principal of the Sponsor will provide financially responsible entities or individuals to assume the status and obligations of Sponsor for those Residential Units.

Sponsor has procured financing for the construction of the Building from Axos Bank, having an address at 4350 La Jolla Village Drive, Suite 140, San Diego, California 92122 ("Construction Lender"). Sponsor will receive advances each month from Construction Lender provided Sponsor complies with the provisions of the construction loan regarding its responsibilities to use the funds advanced in the agreed manner and generally proceeds with the construction as agreed to in the loan documents. Pursuant to the terms of the construction loan documents, Sponsor must meet certain minimum release prices prior to Construction Lender's release of its lien against any Unit. The construction loan documents do not require a specific minimum number or percentage of Purchase Agreements to be entered into prior to declaring the Plan effective.

Mezzanine financing has also been provided for costs related to construction of the Building by NAFTALI CAPITAL PARTNERS III LLC, a Delaware limited liability company, having an address at 152 West 57th Street, 45th Floor, New York, New York 10019 (together with its successors and assigns and such other co-lenders as may exist from time to time, together with each of their successors and assigns) ("Mezz Lender"). The financing provided by Mezz Lender is not secured by a mortgage on the Building or any of the Units.

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

Basic Aspects of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Residential Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," and (ii) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Limited Common Elements."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage the Unit with such lender and in such amount as the Unit Owner chooses. However, Sponsor does not make any representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Units. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

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

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

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit. In the opinion of Tax Counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current Law, to deduct from income for income tax purposes, real estate taxes and interest paid on the Residential Unit Owner's mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See the section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" for details.)

The cost of operating the Condominium will be borne entirely by the Residential Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation." As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Residential Unit Owners for Common Charges to meet Common Expenses. Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interest of all Residential Units. The estimated Common Charges for each Residential Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (Real Property Law §§339 (i) and (m)).

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

Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The percentage of Common Interest is the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

After the Closing of Title to a Unit (whether Residential, Storage or Parking), the Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit, any Limited Common Elements appurtenant thereto, and any Unit Owner Property, as well as liability insurance with respect to occurrences in or about the Unit and any Limited Common Elements appurtenant thereto. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements (except for any Limited Common Elements appurtenant to Units and any Unit Owner Property located in a Common Element), in accordance with the provisions of the By-Laws. (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

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

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

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any AirBnB, "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit 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) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided that such use is permitted by, and complies with Law and does not violate the then existing TCO or PCO covering the Building and that the Condominium Board, in its sole discretion, grants permission for such use. Use and occupancy of the Residential Unit shall be subject to the Rules and Regulations of the Condominium which may be amended from time to time.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item be stored therein. Purchasers are advised that field conditions may require that certain Storage Lockers contain mechanical equipment, including, without limitation, pipes, ducts, ductwork, conduits, shafts, shaftways, chases, and chaseways. In such event, Purchasers will not be entitled to any credit, offset, or reduction in the Purchase Price of the Storage Locker or otherwise be relieved from any obligation under the Purchase Agreement except to the extent that containing such mechanical equipment results in a material and adverse change to the Storage Locker, in which case Sponsor will offer the Purchaser of the affected Storage Locker the option to rescind the Storage Locker Rider and receive the return of any Deposit relating to the Storage Locker; however, any Purchaser who duly elects to rescind the Storage Locker Rider shall not be relieved of any of the obligations under the respective Purchase Agreement as a result of such rescission, including, without limitation, the obligation to purchase the Residential Unit.

A Parking Unit may be used only for the parking of passenger vehicles. No representation is made as to the type or size of vehicles that can be accommodated in any particular Parking Unit.

No Storage Locker or Parking Unit may be used for any Prohibited Use. The use of a Storage Locker or Parking Unit for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Residential Unit Owner as a result of any Prohibited Use of a Storage Locker or Parking Unit shall be borne by such Storage Locker Owner or Parking Unit Owner, as applicable.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium Board or the Residential Unit Owners, use any Unsold Storage Locker or Unsold Parking Unit for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker or Unsold Parking Unit, subject to the provisions of the By-Laws. Except for Storage Lockers and/or Parking Units owned by Sponsor or the Condominium Board, a Storage Locker or Parking Unit may not be owned

independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Any sale of a Residential Unit must be accompanied by the sale of any Storage Locker and/or Parking Unit owned by the Residential Unit Owner.

With certain exceptions, as set forth in the By-Laws, any sale or rental of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor may sell or lease their respective Residential Units, or portions thereof, without any restriction or limitation. (See the section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Residential Units" for details.)

Each Residential Unit Owner has exclusive use, subject to any and all Rules and Regulations implemented by the Condominium Board, of any Limited Common Element appurtenant to such Residential Unit Owner's Residential Unit, as shown on the Floor Plans included in Part II of the Plan, and is responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Limited Common Element (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to same) shall be charged to all Residential Unit Owners as a Common Expense. The type, size, weight, location and quantity of plantings and other installations to be placed on Terraces or Balconies shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

There are no limitations on who may purchase Units, except that only a Residential Unit Owner may purchase a Parking Unit or Storage Locker and as otherwise set forth herein. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Residential Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any Person. Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting the Initial Deposit thereunder (see the section of the Plan entitled "Procedure to Purchase" for details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

THE PURCHASE OF A CONDOMINIUM 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.

DEFINITIONS

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

"Additional Deposit" shall mean a deposit in an amount equal to 5% of the Purchase Price required to be delivered by Purchaser to Sponsor before the earlier to occur of (i) 6 months after the date on which a Purchase Agreement is executed by Sponsor and Purchaser, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more in the aggregate, (ii) materially and permanently interfere with such Unit Owner's access to the Unit, (iii) materially and permanently obstruct or degrade the view from the windows and/or Terraces of the Residential Unit (excluding lot line windows) or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the building located at 208 Delancey Street, New York, New York 10002.

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

"Bulk Sales" shall mean the transfer of 10 or more Residential Units or 20% of the total number of Residential Units in the Condominium, whichever is less.

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

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

"Closing Date" shall mean the date on which a Closing is scheduled to occur.

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

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

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

Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

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

"Condominium" shall mean 208 Delancey Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Tax Lot Drawings.

"Construction Lender" shall mean a Person, together with its respective successors and assigns, from whom Sponsor has procured, or will have procured, an agreement for financing the construction of the Building.

"Construction Loan" shall mean that loan agreement that Sponsor has procured, or will have procured, for financing the construction of the Building.

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

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

"Department of Law" shall mean Office of the Attorney General of the State of New York, Real Estate Finance Bureau.

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit, but excluding Special Work Funds.

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

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

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the

Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, stepsiblings, aunts, uncles, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

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

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

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

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

"Floor Plans" shall mean the floor plans depicting the proposed layouts of the Units and Storage Lockers that appear in Part II of the Plan.

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, pandemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor; however, for purposes of this definition, Sponsor's lack of funds or inability to obtain financing are expressly excluded from the meaning of "any causes not within the control of Sponsor."

"GBL" shall mean Section 352-e of the New York State General Business Law, as amended from time to time.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Tax Lot Drawings except with respect to the Storage Lockers, which are available only for use by the licensee of the particular Storage Locker.

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

"Initial Deposit" shall mean a deposit in an amount equal to 5% of the Purchase Price required to be delivered by Purchaser to Sponsor at the time Purchaser signs and delivers the Purchase Agreement.

"Inspection Statement" shall mean that certain document substantially in the form annexed to the form of Purchase Agreement as Schedule "B," set forth in Part II of the Plan.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders, including mezzanine lenders, which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, (iv) principal or other affiliates of Sponsor, or (v) with respect to only loans secured by any Unsold Units and/or any other Unit owned by Sponsor or its principal or other affiliates, (a) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of § 860D of the Internal Revenue Code, (b) any entity not included among any of the foregoing entities that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (c) any group of lenders which shall include one or more of the foregoing, or (d) a wholly-owned subsidiary of any of the foregoing entities.

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

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 343, Lot 68 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

"Member" shall mean any member of the Condominium Board, either elected or designated thereto in accordance with the terms of the By-Laws. All such members are collectively referred to as "Members."

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

"Parking Unit" shall mean any parking space located in the Parking Unit Area. Each Parking Unit will be owned in fee simple in the same manner as the Residential Units and assigned its own tax lot.

"Parking Unit Area" shall mean an area located in the garage on Floor 1 of the Building containing the Parking Units. The Parking Unit Area is a General Common Element, excluding the Parking Units themselves.

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

"PCO" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

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

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

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

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

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

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

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

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

"Prohibited Use" shall mean one or more of any of the following uses: (a) for storing any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt, or other sanitary problems or create a nuisance, or (b) for sleeping or other occupancy uses.

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

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

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

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

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

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

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

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

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

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

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 for Individual Energy Costs."

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

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

"Special Work Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for special work requested by Purchaser and agreed to in writing by Sponsor.

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

"Sponsor Closing Fees" shall mean the closing fees payable to Starr Associates LLP set forth in the section of the Plan entitled "Closing Costs and Adjustments."

"Sponsor Control Period" shall mean the period ending on the earliest to occur of (i) the fifth anniversary of the First Closing, (ii) the Closing of Title to all Residential Units offered for sale pursuant to the Plan, or (iii) the date on which Sponsor otherwise exercises its right to relinquish control of the Condominium Board.

"Sponsor Lender" shall mean any holder of any Sponsor Loan at the time in question.

"Sponsor Loan" shall mean (to the extent entered into between Sponsor and any lender) the Construction Loan, any mezzanine finance loan(s), and/or any or preferred equity loan(s). All such loans are collectively referred to as the "Sponsor Loans."

"Storage Locker" shall mean any storage locker located in the Storage Locker Areas and shall include the structural framework and materials out of which the storage locker is constructed. Each Storage Locker is a Common Element. Any reference in the Plan to "owning a Storage Locker" means that the Residential Unit Owner has entered into a license for the Storage Locker.

"Storage Locker Area" shall mean each of the 2 areas in the Cellar of the Building containing Storage Lockers, which are collectively referred to as "Storage Areas." All Storage Locker Areas are General Common Elements.

"Tax Lot Drawings" shall mean the floor plans of the Residential Units certified by a professional engineer or licensed architect and filed in the Register's Office simultaneously with the recording of the Declaration, as the same may be supplemented and/or amended from time to time.

"TCO" shall mean a temporary certificate of occupancy for the Building or a portion thereof (as applicable) issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed thereon. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces."

"Title Company" shall mean KCT Abstract LLC, having an office at 9 Elizabeth Street, 2nd Fl., New York, New York 10013 (telephone: 212-528-3338, or any successor Title Company at the time in question.

"Unit" shall mean any of the Residential Units or Parking Units designated as such in the Declaration and on the Floor Plans together with its Common Interest. All such Units are, collectively, referred to as the "Units."

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

"Unit Owner Property" shall mean all appliances, equipment, flooring, fixtures, improvements, furniture, furnishings, decorations, belongings, and other personal property of any kind contained in a Unit and any Limited Common Elements appurtenant thereto and any Storage Locker.

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

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

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

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 208 Delancey Street in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Property

The Condominium will initially consist of approximately 85 Residential Units, 50 Storage Lockers, and 4 Parking Units located within a structure comprising twelve (12) above-grade stories, one (1) below-grade Cellar Floor, one (1) roof level and one (1) bulkhead roof level.

There will also be various amenities for the benefit of the Residential Unit Owners, including a pet washing room, an indoor recreation room, and an outdoor courtyard on the Cellar Floor; a bicycle storage room and package room on Floor 1; a recreation area gym room which opens onto an outdoor court on Floor 2 (which outdoor is not to be used or accessed by Building occupants); and a common roof terrace and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

The Building shall not be serviced by an emergency generator, and the Condominium Board, Sponsor, and their respective Permitted Users shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other such causes in or around the Building, including, without limitation, in Units, the Parking Unit Area and/or the Storage Locker Areas. Any loss or damage in any Unit as a result thereof will be at the sole cost of the Unit Owner.

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

Residential Units

There will be 85 Residential Units located on the Cellar Floor through Floor 11, the square footages of which are set forth on Schedule A.

Purchasers are urged to consult the Floor Plans and Description of Property and Improvements contained in Part II of the Plan for details regarding the Residential Units.

Storage Lockers

50 Storage Lockers will be located in two Storage Locker Areas on the Cellar Floor of the Building, as shown on the Floor Plans set forth in Part II of the Plan. The Storage Lockers will be conveyed pursuant to a license agreement, the form of which is set forth in Part II of the Plan ("Storage Locker License"). A Storage Locker may only be purchased by a Purchaser of a Residential Unit. Except for Storage Lockers owned by Sponsor or the Condominium Board, a Storage Locker may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Sponsor may rent or convey its Storage Lockers only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Any sale of a Residential Unit must be accompanied by the sale of any Storage Locker owned by the Residential Unit

Owner. The Purchase Price and approximate square footage for each Storage Locker is listed set forth on Schedule "A."

The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item be stored therein. Purchasers are advised that field conditions may require that certain Storage Lockers contain mechanical equipment, including, without limitation, pipes, ducts, ductwork, conduits, shafts, shaftways, chases, and chaseways. In such event, Purchasers will not be entitled to any credit, offset, or reduction in the Purchase Price of the Storage Locker or otherwise be relieved from any obligation under the Purchase Agreement except to the extent that containing such mechanical equipment results in a material and adverse change to the Storage Locker, in which case Sponsor will offer the Purchaser of the affected Storage Locker the option to rescind the Storage Locker Rider and receive the return of any Deposit relating to the Storage Locker; however, any Purchaser who duly elects to rescind the Storage Locker Rider shall not be relieved of any of the obligations under the respective Purchase Agreement as a result of such rescission, including, without limitation, the obligation to purchase the Residential Unit.

Parking Units

4 Parking Units will be located in the Parking Unit Area, shown on the Floor Plans set forth in Part II of the Plan. Parking Units will be conveyed pursuant to a deed. Except for Parking Units owned by Sponsor or the Condominium Board, a Parking Unit may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Sponsor reserves the right to rent Unsold Parking Units to parties other than Residential Unit Owners. Any sale of a Residential Unit must be accompanied by the sale of any Parking Unit owned by the Residential Unit Owner. Each Parking Unit will be assigned a tax lot number and Parking Unit Owners, including Sponsor with respect to Unsold Parking Units, will be responsible for paying real estate taxes assessed against each Parking Unit. The approximate square footages and Purchase Prices of the Parking Units are set forth on Schedule A.

Parking Unit Owners shall pay their pro-rata share of the projected costs incurred by the Condominium attributable to the operation of the Parking Unit Area, including, without limitation, costs associated with the maintenance and repair of the Parking Unit Area, labor, electricity, insurance, management fee, cleaning, maintenance, and/or other associated costs, to the extent applicable. Such costs shall be payable and collected as Common Charges. The failure of a Parking Unit Owner to pay its share of such costs will be treated by the Condominium Board as a failure to pay Common Charges.

A Parking Unit may be used only for the parking of motorcycles or compact or subcompact passenger vehicles. The maximum dimensions of a vehicle are as follows: 6' wide by 15' in length. Notwithstanding the foregoing, purchasers are advised to inspect the Parking Unit and to ensure that Purchaser's make and model of vehicle can actually be accommodated in the Parking Unit prior to entering into an agreement to purchase same. Due to the existence of certain columns and walls in the Parking Unit Area, Parking Unit purchasers are advised to take great care when parking and exiting the Parking Unit. Sponsor shall not be liable for damage to a vehicle resulting from the size of the Parking Unit or the existence of any columns or walls located in or near the Parking Unit or Parking Unit Area.

The 4 Parking Units will be located in the Parking Unit Area on Floor 1. The Parking Unit Area will be unattended. To park their vehicles, Parking Unit Owners will open the garage gate on Pitt Street with remote controlled openers, enter the Parking Unit Area and self-park their vehicle in their Parking

Unit. To exit the Parking Unit Area, Parking Unit Owners will open the garage gate with remote controlled opener.

The risk of loss of any pets and/or personal property left in the vehicle shall be assumed solely by the Parking Unit Owner.

Any standing or parking in the entrance to the Parking Unit Area, (i) which would prevent ingress or egress for other vehicles, or (ii) for other than a limited period of time for such pick-up or discharge of vehicles is strictly prohibited. The Building staff of the Condominium shall have the right to require any standing or parked vehicle determined to be in violation of these provisions (in their sole discretion) to immediately vacate the vehicle loading area or garage entrance.

As shown on the Floor Plans, the Parking Unit labeled "Parking #02" has been designated as a handicapped Parking Unit ("Handicapped Parking Unit") and will be the last Parking Unit sold unless sold to a Purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of the Handicapped Parking Unit and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

In the event a present or future Residential Unit Owner, or a member of his or her family residing in the Residential Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and such Residential Unit Owner is the owner of a Parking Unit other than the Handicapped Parking Unit, such Residential Unit Owner may require the owner of the Handicapped Parking Unit to convey, by deed, the Handicapped Parking Unit he/she owns with such handicapped Residential Unit Owner's Parking Unit.

In the event a present or future Residential Unit Owner or member of his or her family member residing in the Residential Unit, becomes handicapped and does not own a Parking Unit, such Residential Unit Owner has the right to demand that the owner of the Handicapped Parking Unit convey the Handicapped Parking Unit at then current fair market value to such handicapped Residential Unit Owner.

All costs and expenses associated with the transfer of title to the Parking Units, including, without limitation, title abstracts, title insurance, transfer taxes, recording fees and reasonable attorney fees shall be borne by the party acquiring the Handicapped Parking Unit. An owner of the Handicapped Parking Unit must comply with the aforementioned demand upon thirty (30) days' written notice.

If the parties cannot agree on the fair market value of the Handicapped Parking Unit, the parties agree to submit the matter to binding arbitration in accordance with Article 10 of the By-Laws.

Parking and Storage Lockers, Generally

No Storage Locker or Parking Unit may be used for any Prohibited Use. The use of a Storage Locker or Parking Unit for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Residential Unit Owner as a result of any Prohibited Use of a Storage Locker or Parking Unit shall be borne by such Storage Locker Owner or Parking Unit Owner, as applicable.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium Board or the Residential Unit Owners, use any Unsold Storage Locker or Parking Unit for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker or Parking Unit, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Storage Locker or Parking Unit may not be owned independently of a Residential Unit.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Storage Locker or Parking Unit, Sponsor reserves the right to withdraw the offering of any particular Storage Locker or Parking Unit and/or to reduce the number of Storage Lockers or Parking Units offered. After such time that Sponsor has entered into a Purchase Agreement with respect to

the sale of a Storage Locker or Parking Unit, Sponsor may withdraw or reduce the offering of any Storage Lockers or Parking Units but only to the extent that such withdrawal or reduction does not affect any Storage Lockers or Parking Units already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Storage Lockers or Parking Units, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Storage Lockers for any use that will not materially and adversely affect Storage Lockers that are already owned by Residential Unit Owners or are the subject of Purchase Agreements as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Storage Lockers or Parking Units and (ii) who have entered into Purchase Agreements for Storage Lockers or Parking Units unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

A Storage Locker License shall automatically terminate at such time as the Licensee no longer owns a Residential Unit, unless the Storage Locker License is assigned to, and assumed by, another Residential Unit Owner in accordance with the terms of the Storage Locker License and the Condominium Documents. A Licensee may also voluntarily surrender a Storage Locker to the Condominium Board. The Condominium Board may elect to terminate a Storage Locker License in the event that the Licensee defaults in Licencee's obligations under the Storage Locker License beyond any applicable cure period or as otherwise provided for in the Storage Locker License. Upon the surrender or termination of a Storage Locker License, the Condominium Board shall have the right, in its sole discretion, to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate in its sole discretion and without any obligation to compensate the former Licensee.

Purchasers should not purchase a Residential Unit in reliance on the use or availability of any Storage Locker or Parking Unit and Sponsor does not make any representation of the availability of any particular Storage Locker or Parking Unit.

Construction Data for Residential Units and Common Elements

Sponsor has engaged S M Tam Architect, PLLC as architect of record, ODA Architecture P.C. as design architect, YJL Engineering, P.E. as structural engineer and All City Engineering, P.C. as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the section of the Plan entitled "Identity of Parties" for further detail.)

The construction of the Building will be completed in accordance with the Plans and Specifications, and applicable Law. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property and Improvements," items of Equal or Better Quality, subject however to all of the terms and conditions set forth in the section of the Plan entitled "Changes in Prices and Units." Purchaser are advised to make reference to that section of the Plan for more details relating thereto.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the First Closing to take place on or about August 1, 2022. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds

have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Even if the First Closing occurs 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 is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more in aggregate, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days from the Presentation Date of the amendment disclosing such updated budget, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon except for any Special Work Funds to the extent that such Special Work Funds have been expended (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).

As set forth in the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Sponsor shall have no liability for any losses incurred by Purchaser as a result of such adjournment, including, without limitation, any costs associated with Purchaser's financing arrangements, travel or lodging expenses, fees associated with transfers of funds, and lost interest on liquidated assets.

Services and Facilities

The services and facilities described below will be provided to the residents of the Building and are included in the Common Charges, unless otherwise specified below.

(a) Lobby

There will be a lobby located on Floor 1 of the Building for the use and enjoyment of the residents of the Building.

(b) Lobby Attendants

A lobby attendant will be stationed in the lobby 24 hours a day, 7 days a week.

(c) Building Staff

The staff of the Condominium will be supervised by a full-time non-resident superintendent. Purchasers should refer to the Footnotes to Schedule B for a complete description of the Building staff.

(d) Elevator Service

There will be two passenger elevators serving the Cellar to the main roof. Purchasers should refer to the Description of Property and Improvements set forth in Part II for details concerning the elevators.

Sponsor reserves the right to restrict access to any full floor Residential Unit, solely to the individual owner/occupant of such Residential Unit, by way of elevator lock off, or other means permissible by Law.

(e) Telecommunications

The Building will be pre-wired for telephone, cable television and internet services to the Residential Units. Residents will be able to subscribe for telephone, television and internet services. Charges for activating cable television, installing and attaching appropriate receptacles, additional installations and monthly usage charges will be determined by and payable directly to the cable company by each resident subscribing for and activating such service. Sponsor reserves the right to enter into an agreement with a service provider to provide a building wide internet access package, the monthly cost of which will be paid by the Condominium Board and billed to each Residential Unit Owner as a Common Expense.

(f) Mail

All incoming mail will be delivered to the Building and will either, as determined by the Condominium Board, be delivered to the individual Residential Units by building staff or placed by the United States Postal Service or other courier service in mail boxes or the package room located in the lobby of the Building.

(g) Laundry Facilities

Each Residential Unit will contain a washing machine and dryer. There will also be a common laundry room located in the Building with two smart card operated front loaded washers and three gas dryers in the Cellar.

(h) Refuse Disposal

There will be recycling bins and access to refuse chutes located on each floor containing Residential Units. The refuse chutes will lead directly to a compactor located in the compactor rooms on the Cellar Floor.

(i) Communication Facilities and Intercom System

Each Residential Unit shall be equipped with a color video intercom system connected to the intercom directory at the entry to the Building. The system enables two-way communication between each Residential Unit and the intercom directory and allows remote control of main Building door. The intercom system will be ButterflyMX (or equivalent). Sponsor reserves the right to substitute an alternate service to enable communication between the visitors and Unit Owners.

(j) Smoke and Carbon Monoxide Detector/Sprinklers

A combination smoke and carbon monoxide detector will be provided in each Residential Unit in compliance with the Law. Additionally, the Building will be fully sprinklered in compliance with the Law.

(k) Indoor Recreation Rooms and Outdoor Court

An indoor recreation room will be located in the Cellar and will be available for use by Building residents. An additional indoor recreation gym which is anticipated to feature 2 stationary bicycles, 3

treadmills, 2 elliptical machines, and weights, will be located on Floor 2 which opens onto an outdoor court (which court is not to be used or accessed by Building occupants). Use of the recreation room and gym shall be subject to regulation by the Condominium Board, which may include, without limitation: (i) restrictions concerning the number of people permitted therein or thereon at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) a requirement for a chaperone for children under the age of 18. As of the Filing Date of the Plan, Sponsor anticipates that the amenity areas set forth in this subparagraph (k) will be available within approximately between twelve (12) and twenty-four (24) months of the First Closing, subject to Force Majeure.

(l) Courtyard and Common Roof Terrace

The residents of the Building will have use of an outdoor courtyard located in the Cellar which is accessible by taking stairs down from the lobby. Residents of the Building will also have use of a common roof terrace on the main roof, which features a gas fireplace and barbeque grill. Use of the courtyard and common roof terrace shall be subject to regulation by the Condominium Board, which may include, without limitation: (i) restrictions concerning the number of people permitted on the terrace at one time; (ii) noise constraints; (iii) prohibitions from utilizing glassware; (iv) restrictions concerning access during inclement weather; and (v) a requirement for a chaperone for children under the age of 18.

(m) Pet Washing Room

The residents of the Building will have access to a pet washing room located on the Cellar Floor, which may be used on a first-come-first-served basis.

(n) Bicycle Storage Room

A bicycle storage room, which is anticipated to accommodate approximately 43 bicycles will be located on Floor 1, which will be accessible from a separate entrance on Delancey Street. Bicycles are to be stored on steel racks. Users shall not be obligated to pay a monthly usage fee by separate agreement with the Condominium Board.

(o) General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e. a Residential Unit Owner or permitted tenant) and such individual's guests, provided that such Residential Unit Owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service, as applicable.

Purchasers are advised that some or all of the services and facilities described in the Plan (including, without limitation, a full staff of Building personnel and usage of amenity areas) may not be available until approximately 12 months after the First Closing, with the exception of the recreation rooms, which may not be available until 24 months after the First Closing. However, all services and facilities will be available within 24 months of the First Closings. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Furthermore, until certain occupancy levels in the Building are achieved, the hours and duties of the Building staff may be reduced. However, at all times after the First Closing of a Residential Unit, the lobby will be attended 24 hours a day, 7 days a week. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any of the services and/or facilities are not available for use on or after Purchaser's Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute

discretion, to adjust the First Year's Budget to reduce Common Charges for the period in which such services and/or facilities are not available.

Additionally, as more fully set forth in the section of the Plan entitled "Rights and Obligations of Sponsor," it is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Units, the amenities and facilities, the Storage Lockers the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. The Condominium Board 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 PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed.

LOCATION AND AREA INFORMATION

Location

The Property is located at 208 Delancey Street in the Borough of Manhattan in the City and State of New York and is bounded by Delancey Street between Pitt Street to the east and Ridge Street to the west.

Surrounding Area, Shopping, Culture and Recreation

There are numerous luxury residences, office buildings, museums, libraries, theaters, art galleries, cultural institutions, hotels, parks, and retail establishments, including supermarkets, drugstores, dry cleaners and banks within the New York City area.

Transportation

New York City is served by three major airports: LaGuardia Airport, Kennedy International Airport and Newark Liberty International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Station, located at Lexington Avenue and 42nd Street.

Transportation to and from the Condominium, and through New York City, is available by taxi, limousine, private automobiles, subway or bus. One of the closest subway stations to the Condominium, the Delancey St./Essex St. Station, is located at the intersection of Delancey and Essex Streets. One of the closest bus stations to the Condominium is located at the intersection of Delancey Street and Columbia Street. A number of commercial parking garages are located within the New York City area.

Medical, Educational, and Religious Facilities

A number of medical centers are located within the New York City area, such as New York Hospital, Cornell Medical Center, Memorial Sloan Kettering, Lenox Hill Hospital, New York University Medical Center, Mount Sinai Medical Center and Columbia Presbyterian Medical Center.

Private schools, public schools and parochial schools on the elementary, middle school and high school levels as well as colleges, universities, and other educational centers are located in the New York City area.

There are houses of worship of most major denominations located within the New York City area.

Municipal Services

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

The local police station, the NYPD 7th Precinct, is located at 19 ½ Pitt Street, New York.

The local fire station, FDNY Engine 15/Ladder 18 is located at 25 Pitt Street, New York.

Mailing Address

The mailing address for the Building is 208 Delancey Street, New York, New York 10002.

Zoning

The Property is located within a R8A zoning district in which residential use is permitted.

Landmark Designation

The Building does not have landmark status and is not located within a landmark district.

General

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

In the event Sponsor engages in any development project that will be immediately adjacent to or directly across the street from the Condominium, and such project has a material impact on the Condominium (*e.g.* impairment of views or closing of lot line windows), Sponsor shall disclose any such material change in an amendment to the Plan within a reasonable period of time. While Sponsor is under no obligation to undertake any inquiry into whether any development project that will be immediately adjacent to or directly across the street from the Condominium are planned or underway by a party other than Sponsor, in the event that Sponsor becomes aware that such other party has engaged in a development project that will be immediately adjacent to or directly across the street from the condominium, and such project has a material impact on the Condominium (*e.g.* impairment of views or closing of lot line windows), Sponsor shall endeavor to disclose the changes in an amendment to the Plan within a reasonable period of time after Sponsor obtains actual knowledge thereof.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

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SCHEDULE A

THE 208 DELANCEY CONDOMINIUM

SCHEDULE OF PURCHASE PRICES AND OTHER FINANCIAL DETAILS

FOR FIRST FULL YEAR OF OPERATION

AUGUST 1, 2022 - JULY 31, 2023

Unit	Unit Square Footage (2)	Limited Common Element Square Footage (2)	BR	Bath	Offering Price (3)	Percentage of Common Interest (4)	Estimated Common Charges Monthly (5)	Estimated Common Charges Annually (5)	Estimated Real Estate Taxes Monthly (6)	Estimated Real Estate Taxes Annually (6)	Total Estimated Common Charges and Real Estate Taxes Monthly (7)	Total Estimated Common Charges and Real Estate Taxes Annually (7)
1A	470		0	1	$ 750,000.00	0.8239%	$ 532.00	$ 6,383.96	$ 687.04	$ 8,244.49	$ 1,219.04	$ 14,628.45
1B	1,089	369 Y	2	2	$ 1,615,000.00	2.0713%	$ 1,337.39	$ 16,048.66	$ 1,727.15	$ 20,725.86	$ 3,064.54	$ 36,774.52
1C	423		0	1	$ 685,000.00	0.7409%	$ 478.34	$ 5,740.13	$ 617.75	$ 7,413.02	$ 1,096.10	$ 13,153.15
1D	1,243	400 Y	2	2.5	$ 1,880,000.00	2.3539%	$ 1,519.87	$ 18,238.42	$ 1,962.82	$ 23,553.81	$ 3,482.69	$ 41,792.23
2A	540	100 T	1	1	$ 975,000.00	0.9898%	$ 639.10	$ 7,669.24	$ 825.36	$ 9,904.35	$ 1,464.47	$ 17,573.59
2B	386		0	1	$ 690,000.00	0.6763%	$ 436.69	$ 5,240.28	$ 563.96	$ 6,767.50	$ 1,000.65	$ 12,007.78
2C	432		0	1	$ 800,000.00	0.7572%	$ 488.87	$ 5,866.45	$ 631.35	$ 7,576.16	$ 1,120.22	$ 13,442.61
2D	607	143 T	1	1	$ 1,195,000.00	1.1266%	$ 727.42	$ 8,729.04	$ 939.42	$ 11,273.03	$ 1,666.84	$ 20,002.07
2E	902		2	2	$ 1,720,000.00	1.5816%	$ 1,021.21	$ 12,254.48	$ 1,318.83	$ 15,825.91	$ 2,340.03	$ 28,080.39
2F	444		0	1	$ 835,000.00	0.7784%	$ 502.57	$ 6,030.80	$ 649.03	$ 7,788.41	$ 1,151.60	$ 13,819.21
2G	462		0	1	$ 785,000.00	0.8101%	$ 523.05	$ 6,276.65	$ 675.49	$ 8,105.91	$ 1,198.55	$ 14,382.56
2H	580		1	1	$ 985,000.00	1.0164%	$ 656.28	$ 7,875.36	$ 847.55	$ 10,170.54	$ 1,503.83	$ 18,045.90
3A	554		1	1	$ 970,000.00	0.9709%	$ 626.85	$ 7,522.20	$ 809.54	$ 9,714.47	$ 1,436.39	$ 17,236.67
3B	395		0	1	$ 695,000.00	0.6921%	$ 446.88	$ 5,362.52	$ 577.11	$ 6,925.37	$ 1,023.99	$ 12,287.90
3C	441		0	1	$ 805,000.00	0.7738%	$ 499.62	$ 5,995.49	$ 645.23	$ 7,742.80	$ 1,144.86	$ 13,738.29
3D	607	143 B	1	1	$ 1,085,000.00	1.1268%	$ 727.53	$ 8,730.40	$ 939.56	$ 11,274.78	$ 1,667.10	$ 20,005.18
3E	927		2	2	$ 1,735,000.00	1.6248%	$ 1,049.05	$ 12,588.62	$ 1,354.79	$ 16,257.43	$ 2,403.84	$ 28,846.05
3F	460		0	1	$ 840,000.00	0.8057%	$ 520.22	$ 6,242.69	$ 671.84	$ 8,062.06	$ 1,192.06	$ 14,304.75
3G	640		1	1	$ 1,115,000.00	1.1213%	$ 723.97	$ 8,687.61	$ 934.96	$ 11,219.52	$ 1,658.93	$ 19,907.14
3H	406		0	1	$ 690,000.00	0.7119%	$ 459.67	$ 5,516.01	$ 593.63	$ 7,123.59	$ 1,053.30	$ 12,639.60
3I	388		0	1	$ 665,000.00	0.6800%	$ 439.07	$ 5,268.80	$ 567.03	$ 6,804.34	$ 1,006.09	$ 12,073.14
3J	859	137 T	1+D	1	$ 1,700,000.00	1.5660%	$ 1,011.09	$ 12,133.05	$ 1,305.76	$ 15,669.09	$ 2,316.85	$ 27,802.14
4A	554		1	1	$ 980,000.00	0.9709%	$ 626.85	$ 7,522.20	$ 809.54	$ 9,714.47	$ 1,436.39	$ 17,236.67
4B	395		0	1	$ 700,000.00	0.6921%	$ 446.88	$ 5,362.52	$ 577.11	$ 6,925.37	$ 1,023.99	$ 12,287.90
4C	441		0	1	$ 810,000.00	0.7738%	$ 499.62	$ 5,995.49	$ 645.23	$ 7,742.80	$ 1,144.86	$ 13,738.29
4D	607	143 B	1	1	$ 1,095,000.00	1.1268%	$ 727.53	$ 8,730.40	$ 939.56	$ 11,274.78	$ 1,667.10	$ 20,005.18
4E	927		2	2	$ 1,750,000.00	1.6248%	$ 1,049.05	$ 12,588.62	$ 1,354.79	$ 16,257.43	$ 2,403.84	$ 28,846.05
4F	460		0	1	$ 845,000.00	0.8057%	$ 520.22	$ 6,242.69	$ 671.84	$ 8,062.06	$ 1,192.06	$ 14,304.75
4G	640		1	1	$ 1,125,000.00	1.1213%	$ 723.97	$ 8,687.61	$ 934.96	$ 11,219.52	$ 1,658.93	$ 19,907.14
4H	406		0	1	$ 695,000.00	0.7119%	$ 459.67	$ 5,516.01	$ 593.63	$ 7,123.59	$ 1,053.30	$ 12,639.60

4I	388		0	1	$ 670,000.00	0.6800%	$ 439.07	$ 5,268.80	$ 567.03	$ 6,804.34	$ 1,006.09	$ 12,073.14
4J	859		1+D	1	$ 1,550,000.00	1.5057%	$ 972.20	$ 11,666.34	$ 1,255.53	$ 15,066.37	$ 2,227.73	$ 26,732.71
5A	565		1	1	$ 1,000,000.00	0.9912%	$ 639.98	$ 7,679.76	$ 826.50	$ 9,917.95	$ 1,466.48	$ 17,597.71
5B	646		1	1	$ 1,150,000.00	1.1325%	$ 731.21	$ 8,774.54	$ 944.32	$ 11,331.79	$ 1,675.53	$ 20,106.33
5C	689	143 B	1	1	$ 1,250,000.00	1.2704%	$ 820.24	$ 9,842.84	$ 1,059.29	$ 12,711.43	$ 1,879.52	$ 22,554.26
5D	1,010		2	2	$ 1,875,000.00	1.7699%	$ 1,142.77	$ 13,713.28	$ 1,475.82	$ 17,709.87	$ 2,618.60	$ 31,423.15
5E	460		0	1	$ 850,000.00	0.8057%	$ 520.22	$ 6,242.69	$ 671.84	$ 8,062.06	$ 1,192.06	$ 14,304.75
5F	640		1	1	$ 1,150,000.00	1.1213%	$ 723.97	$ 8,687.61	$ 934.96	$ 11,219.52	$ 1,658.93	$ 19,907.14
5G	406		0	1	$ 710,000.00	0.7119%	$ 459.67	$ 5,516.01	$ 593.63	$ 7,123.59	$ 1,053.30	$ 12,639.60
5H	388		0	1	$ 685,000.00	0.6800%	$ 439.07	$ 5,268.80	$ 567.03	$ 6,804.34	$ 1,006.09	$ 12,073.14
5I	859		1+D	1	$ 1,575,000.00	1.5057%	$ 972.20	$ 11,666.34	$ 1,255.53	$ 15,066.37	$ 2,227.73	$ 26,732.71
6A	565		1	1	$ 1,010,000.00	0.9912%	$ 639.98	$ 7,679.76	$ 826.50	$ 9,917.95	$ 1,466.48	$ 17,597.71
6B	646		1	1	$ 1,160,000.00	1.1325%	$ 731.21	$ 8,774.54	$ 944.32	$ 11,331.79	$ 1,675.53	$ 20,106.33
6C	689	143 B	1	1	$ 1,260,000.00	1.2704%	$ 820.24	$ 9,842.84	$ 1,059.29	$ 12,711.43	$ 1,879.52	$ 22,554.26
6D	1,010		2	2	$ 1,895,000.00	1.7699%	$ 1,142.77	$ 13,713.28	$ 1,475.82	$ 17,709.87	$ 2,618.60	$ 31,423.15
6E	460		0	1	$ 855,000.00	0.8057%	$ 520.22	$ 6,242.69	$ 671.84	$ 8,062.06	$ 1,192.06	$ 14,304.75
6F	640		1	1	$ 1,160,000.00	1.1213%	$ 723.97	$ 8,687.61	$ 934.96	$ 11,219.52	$ 1,658.93	$ 19,907.14
6G	406		0	1	$ 715,000.00	0.7119%	$ 459.67	$ 5,516.01	$ 593.63	$ 7,123.59	$ 1,053.30	$ 12,639.60
6H	388		0	1	$ 690,000.00	0.6800%	$ 439.07	$ 5,268.80	$ 567.03	$ 6,804.34	$ 1,006.09	$ 12,073.14
6I	859		1+D	1	$ 1,590,000.00	1.5057%	$ 972.20	$ 11,666.34	$ 1,255.53	$ 15,066.37	$ 2,227.73	$ 26,732.71
7A	501	111 T	1	1	$ 1,035,000.00	0.9272%	$ 598.64	$ 7,183.65	$ 773.10	$ 9,277.24	$ 1,371.74	$ 16,460.89
7B	743	231 T	2	2	$ 1,550,000.00	1.4034%	$ 906.15	$ 10,873.78	$ 1,170.24	$ 14,042.82	$ 2,076.38	$ 24,916.60
7C	576	92 B	1	1	$ 1,475,000.00	1.0501%	$ 678.00	$ 8,135.98	$ 875.59	$ 10,507.12	$ 1,553.59	$ 18,643.10
7D	805		2	2	$ 1,450,000.00	1.4107%	$ 910.85	$ 10,930.15	$ 1,176.30	$ 14,115.62	$ 2,087.15	$ 25,045.77
7E	432		0	1	$ 810,000.00	0.7579%	$ 489.32	$ 5,871.88	$ 631.93	$ 7,583.18	$ 1,121.25	$ 13,455.06
7F	1,004	1111 T	2	2	$ 2,260,000.00	2.2474%	$ 1,451.10	$ 17,413.26	$ 1,874.01	$ 22,488.16	$ 3,325.12	$ 39,901.42
8A	501		1	1	$ 975,000.00	0.8786%	$ 567.31	$ 6,807.74	$ 732.65	$ 8,791.78	$ 1,299.96	$ 15,599.53
8B	743	162 B	2	2	$ 1,475,000.00	1.3733%	$ 886.71	$ 10,640.49	$ 1,145.13	$ 13,741.55	$ 2,031.84	$ 24,382.04
8C	576	110 B	1	1	$ 1,500,000.00	1.0578%	$ 682.96	$ 8,195.57	$ 882.01	$ 10,584.08	$ 1,564.97	$ 18,779.66
8D	805		2	2	$ 1,465,000.00	1.4107%	$ 910.85	$ 10,930.15	$ 1,176.30	$ 14,115.62	$ 2,087.15	$ 25,045.77
8E	432		0	1	$ 820,000.00	0.7579%	$ 489.32	$ 5,871.88	$ 631.93	$ 7,583.18	$ 1,121.25	$ 13,455.06
8F	1,004	282 B	2	2	$ 2,010,000.00	1.8839%	$ 1,216.36	$ 14,596.31	$ 1,570.85	$ 18,850.24	$ 2,787.21	$ 33,446.54
9A	598		1	1	$ 1,150,000.00	1.0480%	$ 676.65	$ 8,119.85	$ 873.86	$ 10,486.29	$ 1,550.51	$ 18,606.14
9B	621	145 B	1	1	$ 1,250,000.00	1.1521%	$ 743.87	$ 8,926.47	$ 960.67	$ 11,527.99	$ 1,704.54	$ 20,454.46
9C	597	127 B	1	1	$ 1,225,000.00	1.1014%	$ 711.14	$ 8,533.65	$ 918.39	$ 11,020.69	$ 1,629.53	$ 19,554.34
9D	801		2	2	$ 1,480,000.00	1.4047%	$ 907.00	$ 10,883.97	$ 1,171.33	$ 14,055.98	$ 2,078.33	$ 24,939.95
9E	432		0	1	$ 825,000.00	0.7577%	$ 489.21	$ 5,870.52	$ 631.79	$ 7,581.42	$ 1,121.00	$ 13,451.95
9F	1,041	237 B	2	2	$ 2,080,000.00	1.9292%	$ 1,245.65	$ 14,947.83	$ 1,608.68	$ 19,304.21	$ 2,854.34	$ 34,252.04
10A	598		1	1	$ 1,160,000.00	1.0480%	$ 676.65	$ 8,119.85	$ 873.86	$ 10,486.29	$ 1,550.51	$ 18,606.14
10B	621	127 B	1	1	$ 1,260,000.00	1.1444%	$ 738.90	$ 8,866.84	$ 954.25	$ 11,450.98	$ 1,693.15	$ 20,317.82
10C	597	145 B	1	1	$ 1,235,000.00	1.1091%	$ 716.10	$ 8,593.25	$ 924.80	$ 11,097.65	$ 1,640.91	$ 19,690.90
10D	801		2	2	$ 1,495,000.00	1.4047%	$ 907.00	$ 10,883.97	$ 1,171.33	$ 14,055.98	$ 2,078.33	$ 24,939.95

10E	432			0	1	$ 830,000.00	0.7577%	$ 489.21	$ 5,870.52	$ 631.79	$ 7,581.42	$ 1,121.00	$ 13,451.95
10F	1,041	234 B		2	2	$ 2,125,000.00	1.9278%	$ 1,244.71	$ 14,936.52	$ 1,607.47	$ 19,289.61	$ 2,852.18	$ 34,226.13
11A	598			1	1	$ 1,170,000.00	1.0480%	$ 676.65	$ 8,119.85	$ 873.86	$ 10,486.29	$ 1,550.51	$ 18,606.14
11B	621	110 B		1	1	$ 1,275,000.00	1.1367%	$ 733.93	$ 8,807.21	$ 947.83	$ 11,373.98	$ 1,681.77	$ 20,181.19
11C	597	162 B		1	1	$ 1,250,000.00	1.1168%	$ 721.07	$ 8,652.84	$ 931.22	$ 11,174.62	$ 1,652.29	$ 19,827.46
11D	801			2	2	$ 1,510,000.00	1.4047%	$ 907.00	$ 10,883.97	$ 1,171.33	$ 14,055.98	$ 2,078.33	$ 24,939.95
11E	432			0	1	$ 835,000.00	0.7577%	$ 489.21	$ 5,870.52	$ 631.79	$ 7,581.42	$ 1,121.00	$ 13,451.95
11F	1,041	231 B		2	2	$ 2,145,000.00	1.9263%	$ 1,243.77	$ 14,925.21	$ 1,606.25	$ 19,275.01	$ 2,850.02	$ 34,200.22
PH1	1,289	97 B	562 R	3	2	$ 3,125,000.00	2.5491%	$ 1,645.85	$ 19,750.20	$ 2,125.51	$ 25,506.17	$ 3,771.36	$ 45,256.37
PH2	671	180 B		1	1	$ 1,550,000.00	1.2558%	$ 810.82	$ 9,729.79	$ 1,047.12	$ 12,565.44	$ 1,857.94	$ 22,295.23
PH3	655			1	1	$ 1,350,000.00	1.1488%	$ 741.74	$ 8,900.87	$ 957.91	$ 11,494.92	$ 1,699.65	$ 20,395.79
PH4	520			0	1	$ 900,000.00	0.9109%	$ 588.14	$ 7,057.67	$ 759.55	$ 9,114.55	$ 1,347.68	$ 16,172.21
PH5	1,027	281 B	378 R	2	2	$ 2,500,000.00	2.0886%	$ 1,348.55	$ 16,182.65	$ 1,741.58	$ 20,898.91	$ 3,090.13	$ 37,081.56
P1 (reg)	153					$ 150,000.00	0.2012%	$ 129.89	$ 1,558.64	$ 167.74	$ 2,012.88	$ 297.63	$ 3,571.52
P2 (HDCP)	243					$ 175,000.00	0.3195%	$ 206.29	$ 2,475.48	$ 266.41	$ 3,196.93	$ 472.70	$ 5,672.41
P3 (reg)	153					$ 150,000.00	0.2012%	$ 129.89	$ 1,558.64	$ 167.74	$ 2,012.88	$ 297.63	$ 3,571.52
P4 (reg)	153					$ 150,000.00	0.2012%	$ 129.89	$ 1,558.64	$ 167.74	$ 2,012.88	$ 297.63	$ 3,571.52
Resid. Totals	54,808		6,832			$ 104,565,000.00	99.0770%	$ 63,970.85	$ 767,650.18	$ 82,614.45	$ 991,373.42	$ 146,585.30	$ 1,759,023.59
Pking Totals	702					$ 625,000.00	0.9230%	$ 595.95	$ 7,151.39	$ 769.63	$ 9,235.58	$ 1,365.58	$ 16,386.97
Total	55,510		6,832			$ 105,190,000.00	100.0000%	$ 64,566.80	$ 774,801.57	$ 83,384.08	$ 1,000,609.00	$ 147,950.88	$ 1,775,410.57

Y = yard HDCP = handicap parking
T = Terrace reg = regular parking
B = Balcony D = Den R = Roof

SCHEDULE A-1

Offering Prices and Related Information
for Storage Spaces for the First Year of Condominium Operations
From AUGUST 1, 2022 - JULY 31, 2023

The 208 Delancey Condominium

Storage Space	Approx. area (sq. ft.) (2)	Offering Price (3)	Monthly License Fee (5)	Yearly License Fee (5)
S1	25	$ 55,000	$ 25.00	$ 300.00
S2	25	$ 55,000	$ 25.00	$ 300.00
S3	25	$ 55,000	$ 25.00	$ 300.00
S4	25	$ 55,000	$ 25.00	$ 300.00
S5	25	$ 55,000	$ 25.00	$ 300.00
S6	25	$ 55,000	$ 25.00	$ 300.00
S7	25	$ 55,000	$ 25.00	$ 300.00
S8	25	$ 55,000	$ 25.00	$ 300.00
S9	25	$ 55,000	$ 25.00	$ 300.00
S10	15	$ 45,000	$ 15.00	$ 180.00
S11	15	$ 45,000	$ 15.00	$ 180.00
S12	15	$ 45,000	$ 15.00	$ 180.00
S13	15	$ 45,000	$ 15.00	$ 180.00
S14	15	$ 45,000	$ 15.00	$ 180.00
S15	15	$ 45,000	$ 15.00	$ 180.00
S16	15	$ 45,000	$ 15.00	$ 180.00
S17	19	$ 50,000	$ 19.00	$ 228.00
S18	31	$ 60,000	$ 31.00	$ 372.00
S19	15	$ 45,000	$ 15.00	$ 180.00
S20	15	$ 45,000	$ 15.00	$ 180.00
S21	15	$ 45,000	$ 15.00	$ 180.00
S22	15	$ 45,000	$ 15.00	$ 180.00
S23	15	$ 45,000	$ 15.00	$ 180.00
S24	15	$ 45,000	$ 15.00	$ 180.00
S25	15	$ 45,000	$ 15.00	$ 180.00
S26	15	$ 45,000	$ 15.00	$ 180.00
S27	15	$ 45,000	$ 15.00	$ 180.00

S28	15	$ 45,000	$ 15.00	$ 180.00
S29	15	$ 45,000	$ 15.00	$ 180.00
S30	15	$ 45,000	$ 15.00	$ 180.00
S31	25	$ 55,000	$ 25.00	$ 300.00
S32	15	$ 45,000	$ 15.00	$ 180.00
S33	15	$ 45,000	$ 15.00	$ 180.00
S34	15	$ 45,000	$ 15.00	$ 180.00
S35	15	$ 45,000	$ 15.00	$ 180.00
S36	14	$ 45,000	$ 14.00	$ 168.00
S37	15	$ 45,000	$ 15.00	$ 180.00
S38	15	$ 45,000	$ 15.00	$ 180.00
S39	15	$ 45,000	$ 15.00	$ 180.00
S40	15	$ 45,000	$ 15.00	$ 180.00
S41	15	$ 45,000	$ 15.00	$ 180.00
S42	15	$ 45,000	$ 15.00	$ 180.00
S43	15	$ 45,000	$ 15.00	$ 180.00
S44	15	$ 45,000	$ 15.00	$ 180.00
S45	15	$ 45,000	$ 15.00	$ 180.00
S46	15	$ 45,000	$ 15.00	$ 180.00
S47	15	$ 45,000	$ 15.00	$ 180.00
S48	15	$ 45,000	$ 15.00	$ 180.00
S49	15	$ 45,000	$ 15.00	$ 180.00
S50	15	$ 45,000	$ 15.00	$ 180.00
Total	854	$ 2,370,000.00	$ 869.00	$ 10,428.00

Notes to Schedule A

1. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Units. The number of bedrooms and bathrooms for each Residential 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. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

2. The square footages of the Units listed in Schedule A and in the Declaration are approximate within reasonable tolerances and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium units. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. Sponsor's sole obligation if the net square footage of the Unit is decreased by more than 5% shall be to refund all Deposits made under the Purchase Agreement and any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Each Residential Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, that all columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Residential Unit. Each Residential Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square footages may significantly exceed the usable floor area of each Unit. The method of measurement is applicable to all Units within any category of Unit, respectively (i.e., Residential, Storage and Parking). Any Common Elements located within or appurtenant to any Residential Unit shall not be considered as part of that Residential Unit. Terraces shown on Schedule A are Limited Common Elements.

3. The Purchase Prices and other terms of sale (as more fully set forth in the section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the section of the Plan entitled "Closing Costs and Adjustments". If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

4. The Common Interest of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness

of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

5. The estimated monthly Common Charges for each Unit are based on Schedule B - Budget for First Year of Condominium Operation prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from August 1, 2022 through July 31, 2023. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Residential Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Residential Unit. See the section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Residential Units.

As discussed in the section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be available until approximately 12 months after the First Closing.

6. 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 based, in part, upon the opinion letter prepared by Olshan Frome Wolosky LLP ("Income Tax Counsel"), a copy of which is set forth in Part II of the Plan. Subject to certain exceptions and limitations that are more particularly discussed in the Income Tax Counsel's opinion letter, it is the opinion of Income Tax Counsel that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions will, under current U.S. federal, New York State and New York City income tax Law, be entitled to a deduction for mortgage interest and state and local real property taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers. Purchasers should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return). Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return). Sponsor makes no representation concerning the availability of any tax deductions. (See the section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium" for more details.)

The following discussion of projected real estate taxes for the First Year of Condominium Operation was based, in part, upon the opinion letter prepared by Metropolitan Realty Exemptions, Inc. ("Real Estate Tax Consultant"), a copy of which is set forth in Part II of the Plan. The real estate taxes for the First Year of Condominium Operation running from August 1, 2022 – July 31, 2023, are comprised of eleven months of the 2022/2023 tax year and the first month of the 2023/2024 tax year. It is estimated that the aggregate real estate taxes payable with respect to the Building for the First Year of Condominium Operation will be approximately $1,000,609, assuming (a) an estimated transitional/taxable assessed valuation for the Property of $8,143,344 for eleven months of the 2022/2023 tax year and $8,306,211 for the first month of the 2023/2024 tax year, both reflecting an assessment following completion of construction, and (b) a tax rate of 12.267 (which assumes that the 2020/2021 tax rate remains static) per $100 of assessed valuation for the 2022/2023 and 2023/2024 tax years. This tax projection does not take into account any real estate tax

abatements that may be applicable to the Property at any given time. No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Tax Lot Drawings are filed with the Register's Office. For purposes of Schedule A, the projected real estate taxes for the Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will be based in part upon the proportion the offering price as set forth on Schedule A for each Unit bears to the gross sellout price for all Units offered for sale in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages.

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

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

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

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

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

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SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATIONS
BEGINNING AUGUST 1, 2022

THE 208 DELANCEY CONDOMINIUM
208 Delancey Street
New York, New York

Income		
Common Charges - Residential, Parking & Storage Units (1)	$764,373.57	
License Fees – storage spaces (1)	$10,428.00	
Total Estimated Common Charges		$774,801.57
Expenses		
Labor (2)	$311,228.74	
Heating (3)	-	
Electricity (4)	$96,098.20	
Gas (5)	$61,147.68	
Water Charges & Sewer Rents (6)	$53,776.95	
Repairs, Maintenance & Supplies (7)	$15,000.00	
Service Contracts (8)	$57,050.00	
lnsurance (9)	$31,000.00	
Management Fee (10)	$48,000.00	
Legal and Audit Fees (11)	$20,000.00	
Reserve Fund (12)	$78,500.00	
0ther (13)	$3,000.00	
Total		$774,801.57

NOTES TO SCHEDULE B

1. Common Charges

The estimate of the Common Charges to be billed during the first year of Condominium operation is based upon the assumption that the first year of Condominium operation will be the year from August 1, 2022 to July 31, 2023. The actual first year of operation may be earlier or later than that year.

Except as otherwise set forth herein, Common Charges have been allocated between the Residential, Parking and Storage Unit Owners, based on Common Interest percentage or anticipated usage and benefits derived by such Unit Owners.

Generally, the costs of operation and maintenance of the Condominium will be borne by the Unit Owners in proportion to their respective Common Interests.

2. Labor Costs

This budgeted figure includes wages, unemployment and payroll taxes for the projected Building staff of two shifts full-time doormen, one full-time superintendent and one full-time porter, each of whom is expected to be an employee of the Condominium and is not expected to be a union member. The projected level of staffing complies with all applicable housing and labor laws. The projected wages for the doormen, superintendent and porter are based on a projection by the Managing Agent of what will be the market rate for the same during the first year of Condominium operations. No representation is made as to the actual wage rates that will be in effect after an agreement covering the projected first year of Condominium operation goes into effect.

The estimate of $311,228.74 included herein is as follows:

Two Full-Time Doormen:	$124,800 ($2,400/week, 52 weeks/year)
One Full-Time Superintendent:	$66,560 ($1,280/week, 52 weeks/year)
One Full-Time Porter:	$62,400 ($1,200/week, 52 weeks/year)
FICA:	$19,412.64
Unemployment Insurance:	$26,644.80
Disability Ins. & Worker's Compensation:	$11,411.30

3. Heating

The cost for heating is incorporated into gas and electricity costs.

4. Electricity Costs

The estimated electrical charge of $96,098.20 is for lighting, cooling and heating common areas of the Building and use of the Building's common systems. Unit Owners will each arrange directly with the utility company for electricity consumed within Units and will be responsible for paying charges for their own electrical service. The budgeted common electrical charges are based on the estimate of 397,100 KWH power usage at an average rate of $0.22 per KWH, which include a 10% tariff, but do not include applicable taxes and surcharges, determined by All City Engineering, P.C., 107 East Broadway, 5th Floor, New York, NY 10002.

The budgeted amount for electricity is only an estimate. The actual amount will vary depending on usage and the cost of power, among other things. It is believed that the projected figure should be sufficient to cover the cost of electricity during the first year of Condominium operations. However, no warranty is made that the projection will equal the actual cost during the first year of Condominium operations.

5. Gas Costs

The estimated gas costs of $61,147.68 for the first year of Condominium operations are for heating the common areas of the Building and for cooking and hot water use within the Residential Units. The budgeted gas costs are based on the estimated usage of 34,238 therms per year at an average rate of $1.32 per therm, which include a 10% tariff, but do not include applicable taxes and surcharges, estimated by All City Engineering, P.C., 107 East Broadway, 5th Floor, New York, NY 10002.

The budgeted amount for gas usage is only an estimate. The actual amount will vary depending on usage and the cost of gas, among other things. It is believed that the projected figure should be sufficient to cover the cost of common gas usage during the first year of Condominium operations. However, no warranty is made that the projection will equal the actual cost during the first year of Condominium operations.

6. Water and Sewer

Water charges and sewer rents are based upon an estimate by All City Engineering, P.C., 107 East Broadway, 5th Floor, New York, NY 10002, based on estimated usage and current rates. Based on an estimated consumption of 3,376,250 gallons or 450,167 cubic feet per year at an estimated cost of $10.86 per 100 cubic feet plus a tariff of 10%, the annual cost of water and sewer charges for the Units and Common Elements is estimated to be $53,776.95.

7. Repairs, Maintenance and Supplies

It is anticipated that there will not be major repairs to the common areas of the Building during the first year of Condominium operations. The budgeted figure is based upon an estimate of repairs and maintenance to the common areas and includes various supplies (such as cleaning supplies and materials, lubricants, bulbs, general and hardware supplies) and painting of the common areas as needed. The estimate does not include repairs, painting, maintenance, or supplies for individual Units, all of which are the responsibility of the Unit Owners.

8. Service Contracts

The following services are anticipated and are included in the estimate:

- Elevator Inspection - $18,000 per year
- Exterminating - $1,000 per year
- Fire Extinguishers - $2,000 per year
- Fire Alarm - $2,000 per year
- Sprinkler/RPZ - $3,000 per year
- HVAC - $3,000 per year
- Telephone/Internet - $5,400 per year
- Technical Fee - $2,400 per year
- Intercom - $4,250 per year
- Window Cleaning - $16,000 per year

Purchasers should note that either the Sponsor or the Managing Agent expects to enter, but has not yet entered, into contracts with third parties on the Condominium's behalf for the above-referenced services. The above-referenced estimates are based on current market rates forthose services and assume applicable taxes.

The budget for the first year of Condominium operation provides for the maintenance, repair and replacement of the Building's windows. Unit Owners, however, shall be responsible for the cost of cleaning the inside face of windows at their Units. The Board of Managers may require that all Unit Owners grant access to their Units and terraces or balconies to persons retained by the Board of Managers to clean the exterior surfaces of the windows and to maintain, repair and/or replace the windows.

9. Insurance

The budget for insurance is based upon a proposal submitted by Follman Insurance Brokerage Inc. P.O. Box 190405, Brooklyn, NY 11219, and includes the following coverage:

Building	$25,000,000 - Replacement Cost
Liability	$1,000,000 per occurrence, $2,000,000 aggregate
Excess Liability	$10,000,000 per year

Director & officers	$1,000,000 coverage
Cyber coverage	$500,000
Crime fidelity	$650,000
Est. Annual Premium	$26,000.00

This coverage does not include Auto Liability or Garage Keeper's Liability, all of which may be available at extra cost, which would be a Common Expense of all Unit Owners.

The fire and casualty policy, which shall be effective as of the first closing, will be on an agreed amount replacement cost basis, which eliminates co-insurance. It is the opinion of the insurance broker, that the described insurance coverage is an adequate amount to rebuild the structures (but not portions of the interior of Units which are the responsibility of Unit Owners to insure) if totally destroyed by fire or other insured peril.

The fire, casualty and general liability insurance will be on terms that provide: (1) that each Unit Owner is an additional insured party; (2) that there will be no cancellation without notice to the Board of Managers; (3) a waiver of subrogation in favor of Unit Owners; and (4) a waiver of invalidity because of the acts of the insured and Unit Owners.

Unit Owners are required to obtain insurance, at their own expense, for items not covered by the insurance described above, such as, without limitation, the contents of their Units, their personal possessions, replacements, additions, upgraded fixtures and improvements to the Units and liability coverage for occurrences within their Units.

10. Management Fee

The Building will be managed by Continental Building Management LLC, 4916 3rd Avenue, Brooklyn, NY 11220 ("Continental"). Continental is affiliated with the principal of Sponsor. The management fee for the first year of Condominium operations will be $48,000. Continental will provide the following services, among others: attending Board of Managers and Unit Owners' meetings; purchasing necessary supplies; effecting insurance policies and renewals; arranging for the cleaning and maintenance the Common Areas, as well as for sanitation, recycling and snow shoveling; paying all Condominium accounts; collecting Common Charges; assisting accountants for the Condominium tax returns; maintaining required Buildings' registrations; maintaining service contracts, if any; and providing profit and loss statements. The management fee is comparable to those of similar buildings in Manhattan.

11. Legal and Audit Fees

Accounting and auditing expenses will consist of a $15,000 fee for tax filing and preparing the annual financial report to the Condominium Board of Managers for the first year of Condominium operations. The fee is based on a quotation from MKL Tax CPA, PLLC, 143-70 Ash Avenue, Flushing, NY 11355. $5,000 for miscellaneous legal fees is included in the budget. No warranty is made that the amount shall be sufficient to pay all legal and audit expenses incurred. Counsel to the Condominium has not yet been engaged. The Condominium Board will hire a firm in the future.

12. Other Expenses

Includes minimal miscellaneous charges such as special communications and mailings to Unit Owners, annual meetings and general expenses. No warranty is made that the amount shall be sufficient to pay all expenses incurred.

13. Reserve Fund

The Sponsor has budgeted for a yearly contribution to a reserve fund. It is anticipated, but not guaranteed, that the budgeted yearly reserve fund will be sufficient to pay for major capital repairs or replacement items that may be needed within the first five years of Condominium operations. However, no warranty or representation as to the need for, or timing of, future capital improvements is made to Unit Owners or the Board of Managers.

* * * *

The Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment, other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Condominium on the date of the Closing of the first Unit. However, no service or maintenance contracts which would materially increase the first year's estimated Common Charges will be made unless this Plan is amended.

If at any time, the projected commencement of the budget year in this Plan differs by six (6) months or more from the anticipated date of the first Closing, this Plan will be amended to include a revised budget. If the amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor will offer all Purchasers with pending Purchase Agreements the right to rescind for a period of fifteen (15) days after the date of presentation of such amendment. The Sponsor shall return promptly all Down Payments, with interest earned, if any, to Purchasers who rescind.

The Sponsor may not declare this Plan effective where there are material changes to Schedule B - Budget for First Year of Condominium Operations if said material changes have not been disclosed by a duly filed amendment to this Plan.

IN THE OPINION OF CONTINENTAL BUILDING MANAGEMENT LLC, AN EXPERIENCED BUILDING MANAGER, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING ON AUGUST 1, 2022. THE FOREGOING NOTES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A

WARRANTY OR GUARANTEE BY ANYONE THAT THE COMMON CHARGES, OTHER INCOME OR EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS ESTIMATED, AND IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

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SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

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SCHEDULE B-1
Projected Individual Energy Costs Budget

All City Engineering, P.C., having an office at 107 E. Broadway, 5th Floor, New York, New York 10002 provided the following estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

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 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 Residential Unit Owners and weather conditions.

Studio 450 S.F.	Load (kW)	Yearly Hours of Use (H)	Basic Rate (kWh)	Cost
Lighting	0.25	1850	463	$101.86
Receptacles	1.0	1850	1850	$407.00
Kitchen Appliance	8.5	280	2380	$523.60
Washer/Dryer	5.2	280	1456	$320.32
			6149	$1,352.78

1 Bedroom 880 S.F.	Load (kW)	Yearly Hours of Use (H)	Basic Rate (kWh)	Cost
Lighting	0.45	1850	833	$183.26
Receptacles	1.8	1850	3330	$732.60
Kitchen Appliance	8.5	280	2380	$523.60
Washer/Dryer	5.2	280	1456	$320.32
			7999	$1,759.78

2 Bedroom 1245 S.F.	Load (kW)	Yearly Hours of Use (H)	Basic Rate (kWh)	Cost
Lighting	0.65	1850	1203	$264.66
Receptacles	2.5	1850	4625	$1017.50
Kitchen Appliance	8.5	280	2380	$523.60
Washer/Dryer	5.2	280	1456	$320.32
			9664	$2,126.08

3 Bedroom 1630 S.F.	Load (kW)	Yearly Hours of Use (H)	Basic Rate (kWh)	Cost
Lighting	0.85	1850	1573	$346.06
Receptacles	3.3	1850	6105	$1343.10
Kitchen Appliance	8.5	280	2380	$523.60
Washer/Dryer	5.2	280	1456	$320.32
			11514	$2,533.08

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

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STARR ASSOCIATES LLP
ATTORNEYS AT LAW

220 EAST 42 STREET
NEW YORK, NY 10017
TEL 212 620 2680
FAX 212 696 5013
www.starr-lawfirm.com

Dated: February 3, 2021

NERE LI Development LLC
4918 3rd Avenue
Brooklyn, New York 11220

Re: 208 Delancey Condominium
208 Delancey Street
New York, New York 10002 ("Property")

Ladies and Gentlemen:

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

In connection with the rendering of this opinion we have reviewed the determination of Common Interest as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by Continental Building Management LLC ("Real Estate Broker") set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Real Estate Broker. Accordingly, in the event that facts presented by Real Estate Broker were or prove incorrect in no event will Starr Associates LLP be liable.

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

This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL section 339 or other applicable Law.

The opinion expressed herein is based solely on New York Law.

Very truly yours,

STARR ASSOCIATES LLP

By: *Allan Starr*
Name: Allan Starr
Title: Partner

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REAL PROPERTY LAW SECTION 339-I COMPLIANCE LETTER

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FirstService
RESIDENTIAL

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

February 1, 2021

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

Re: Condominium Offering Plan
208 Delancey Condominium
208 Delancey Street
New York, New York 10002

Dear Sir/Madam:

NERE LI Development LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained FirstService Residential New York, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over twenty-five 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 upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

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

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter (and

Management of the Premises under the Offering Plan). The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

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

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

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

I certify under penalty of perjury under the laws of the State of New York and the United States of America that the forgoing is true and correct. Executed on February 1, 2021.

FirstService Residential New York, Inc.

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

CHANGES IN PRICES AND UNITS

Purchase prices and other terms of sale for the Units offered are negotiable, in Sponsor's sole discretion. Sponsor reserves the right to enter into a Purchase Agreement with a Purchaser, as a result of an individually negotiated transaction, to sell one or more Units at prices lower than those set forth in Schedule A, or to modify any other term of sale, without filing an amendment to the Plan. No Purchaser has the right to benefit from any price, term or condition negotiated with any other Purchaser. Sponsor further reserves the right, at any time and without notice to, or consent of, any Purchaser, Unit Owner or mortgagee, to increase the price of any Unit by a duly filed amendment to the Plan. Purchase prices set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models or is to be advertised. Modifications to the terms and conditions of sale affecting all Purchasers must be modified by a duly filed amendment to the Plan.

The location in the Building, approximate size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between two or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interest. In the event of any change pursuant to either (a), (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. Provided that Purchaser is not in default of its obligations under the Purchase Agreement, no such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the Unsold Unit size, the layout or Common Interest of such Unsold Unit, unless the Purchaser consents to such changes. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. In addition, Sponsor reserves the right to change and/or modify in its sole discretion the direction of any door swing, cabinet door swing, or appliance door swing shown on the Floor Plans, or the number and location of access panels necessary for maintenance or repair of mechanical, electrical, plumbing, or other equipment or systems, or otherwise. The foregoing reservations of Sponsor's right to make changes is subject to the governing regulations of the Department of Law which provide for an affected Purchaser's consent for any material changes in Unit size, layout, or percentage of common interest and all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of a change due to field conditions, construction variances and tolerances, or as a result of changes in Law (including, without limitation, applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement and any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf.

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

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Residential Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and the Plan are amended with the consent of each Unit Owner whose Unit is directly affected by such change. In the case of a material and adverse change in the size or quality of the Common Elements, no such change shall be made without the consent of every Unit Owner. In such event, Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such material and adverse change and to file such amendment and any necessary plans and specifications in connection therewith.

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner any non-material portion of the Common Elements for the exclusive use of such Unit Owner, provided that (i) such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium, (ii) the Common Elements are not materially and adversely affected by such transfer, and (iii) if subsequent to the recordation of the Declaration, such transfer does not affect the allocation of Common Interest among the Units owned by Unit Owners other than Sponsor (without such Unit Owners' consent). Any such sale, lease, license or transfer will (i) not require the consent of any Purchaser, (ii) be disclosed in a duly filed amendment to the Plan, and (iii) be reflected in an amendment to the Declaration and Tax Lot Drawings, if required.

The provisions set forth in this section of the Plan shall also apply to Parking Units and Storage Lockers, as applicable.

USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right with respect to any Unsold Residential Unit, to enter into a pre-closing "use and occupancy" agreement ("Use and Occupancy Agreement") with the Purchaser of such Unsold Residential Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, rent regulations or continued occupancy. Such use and occupancy fees shall be determined by Sponsor in its sole and absolute discretion. No occupancy may commence until a TCO has been obtained for such Unsold Residential Unit. Purchasers are advised that (i) the Use and Occupancy Agreement shall be subordinate to the Sponsor Loans, and (ii) if required by the terms and conditions in any Sponsor Loan, written consent may be required from such Sponsor Lender prior to the execution of any Use and Occupancy Agreement.

If Sponsor elects to grant a Purchaser occupancy of a Unit prior to Closing pursuant to the terms of a Use and Occupancy Agreement, then such Use and Occupancy Agreement shall provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement shall provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement and to exercise any remedies provided therein. If Sponsor elects to terminate the Purchase Agreement, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default and follow the default procedures set forth in the section of the Plan entitled "Procedure to Purchase." However, prior to Sponsor utilizing the default under the Use and Occupancy Agreement to declare a default under the Purchase Agreement, Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser unless the Purchaser has vacated the Residential Unit. In addition, in the event a Purchaser is permitted to take possession of the Unsold Residential Unit prior to Closing, such Purchaser will be required to obtain liability insurance and renter's insurance for their own benefit in such amounts as determined by Sponsor. A Purchaser who takes possession of a Residential Unit prior to Closing assumes the risk of loss not covered by insurance.

In the event (i) that Purchaser defaults under the terms of the Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due), or (ii) that the term of the Use and Occupancy Agreement expires, Purchaser agrees to vacate and deliver full possession of the Residential Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney.

The Use and Occupancy Agreement shall be substantially in the form set forth in Part II of the Plan.

Purchasers entering into a Use and Occupancy Agreement for an Unsold Residential Unit will be required to pay the legal fees of Attorneys for Sponsor in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under the Use and Occupancy Agreement will be adjusted as of the Closing of Title to the Unsold Residential Unit and no portion of the Use and Occupancy fee paid under the Use and Occupancy Agreement will be credited towards the Purchase Price of an Unsold Residential Unit unless the Use and Occupancy Agreement expressly provides. Notwithstanding the foregoing, Sponsor will be under no obligation to enter into any Use and Occupancy Agreement.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan. A Purchaser also interested in acquiring a Storage Locker will be required to execute the form of Rider annexed to the Purchase Agreement set forth in Part II of the Plan.

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

Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Unit is not contingent on Purchaser obtaining financing. In the event a Purchaser defaults under a Purchase Agreement beyond all applicable cure periods for any reason whatsoever, including, without limitation, any inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement.

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

At the time Purchaser executes a Purchase Agreement, Purchaser will be required to deliver an Initial Deposit in an amount equal to 5% of the Purchase Price. At the earlier to occur of (i) 6 months after the date Purchaser executes the Purchase Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective, Purchaser will be required to deliver an Additional Deposit to Sponsor in an amount equal to 5% of the Purchase Price. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 10% of the Purchase Price. Sponsor may require that Purchasers of more than 1 Residential Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser.

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

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

Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the Initial Deposit to accept or reject the Purchase Agreement. If a Purchase Agreement is not accepted by Sponsor within the 30 day period, the Purchase Agreement shall be deemed rejected and cancelled and the Initial Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except that with respect thereto Sponsor may not discriminate against any person on the basis of race, creed, color, sex, disability, marital status, age, national origin or other ground as prohibited by Law, and (b) a Purchase Agreement for more than one Unit to any Person.

A Purchaser must deliver the payment of any Deposit or the Balance of the Purchase Price by official bank check unless Sponsor offers, in Sponsor's sole discretion, to accept a wire transfer.

The Balance of the Purchase Price and all other monies due under the Plan and the Purchase Agreement shall be payable simultaneously with the delivery of the deed to the Unit and, if applicable, the deed to the Parking Unit and/or the Storage Locker License. The deed and the Storage Locker License will be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposits will be credited or paid to Purchaser at Closing.

Following the Plan being declared effective, Sponsor will deliver to each Purchaser an Initial Closing Notice at least 30 days prior to the Closing Date specified therein ("Scheduled Closing Date"). The Initial Closing Notice requirement may be modified or waived by an agreement signed by Sponsor and Purchaser. In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel the Purchase Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, (a) the Deposit and any interest earned thereon and (b) Special Work Funds to the extent expended or committed plus an amount equal to the cost to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan, and the Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

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

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS UNDER THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS WHEN DUE AND THE BALANCE OF THE PURCHASE PRICE ON THE CLOSING DATE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED.

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

damages, all Deposits made by Purchaser, together with any interest earned thereon, if any, under each of the Purchase Agreements.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 2 years' Common Charges with respect to the Unit, based on the Condominium budget in effect as of the Closing Date of the Unit, which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

A Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the Closing of its Residential Unit from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale. The prohibitions set forth in (i) through (iii) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion.

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

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit pursuant to a Use and Occupancy Agreement, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion within sixty (60) days of the damage to the Unit) to repair or restore the Unit, the Purchase Agreement shall

continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made in its sole discretion within sixty (60) days of the damage to the Unit), or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon and any Special Work Funds to the extent that such Special Work Funds have not been expended within thirty (30) business days of Sponsor's election not to repair or restore the Residential Unit or the Residential Unit Owners' resolution not to make such repairs or restoration, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

If a Purchaser has entered into Purchase Agreements for both a Residential Unit and one or more Storage Lockers and/or Parking Units and Sponsor does not elect, or the Residential Unit Owners do not resolve to make such repair or restoration to the affected Storage Locker, Storage Locker Area, Parking Unit or Parking Unit Area pursuant to the By-Laws following the fire or casualty, then the Purchase Agreement shall only be cancelled, as described above, with respect to the particular Storage Locker and/or Parking Unit in question, and Purchaser shall remain obligated to purchase the Residential Unit. At the Closing of Title to the Residential Unit, Purchaser will receive a credit against the Balance of the Purchase Price equal to the amount allocated to the affected Storage Locker and/or Parking Unit, to the extent any such money has been paid under the Purchase Agreement.

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

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

Each Purchaser shall be given an opportunity to examine the Unit prior to the Closing during normal business hours and in the company of Sponsor's representative and is urged to make a careful inspection thereof, as more fully set forth in the Purchase Agreement set forth in Part II of the Plan. Purchaser is expressly prohibited from conducting any testing to the Unit during the inspection for any reason, 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. At the Closing, each Purchaser of a Unit shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein Purchaser acknowledges the condition of the Unit upon inspection and which includes, if applicable, items to be corrected and a mutually agreed upon time period(s) for such correction. Under no circumstances shall any item included on an Inspection Statement (i) constitute grounds for a Purchaser to postpone or otherwise

delay the date scheduled for the Closing (except in the event of damage to the Unit by fire or other casualty, but subject to the terms of the Purchase Agreement) nor (ii) obligate Sponsor to deposit any monies in escrow at Closing. Sponsor will cure the items on the Inspection Statement within a reasonable time period taking into consideration the nature of the conditions to be cured, availability of materials and Force Majeure.

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

While Sponsor does not intend to submit an application to either Federal National Mortgage Association ("Fannie Mae") or the Federal Housing Administration ("FHA") to have the Condominium added to their respective lists of "approved" condominiums, in the event that any such applications were to be submitted, there is no guarantee or assurance that (a) such applications would satisfy Fannie Mae's and/or FHA's criteria for approval, (b) even if either or both Fannie Mae and FHA requirements are satisfied, that the Condominium will continue to satisfy such criteria, or (c) Purchasers would be able to obtain mortgages insured by Fannie Mae and/or FHA. No Purchaser shall be entitled to rescind any Purchase Agreement for any failure by Sponsor to either apply to Fannie Mae and/or FHA or to have any such application approved. Purchasers are advised that, in the event any applications to Fannie Mae or FHA are submitted and approved, Fannie Mae and FHA require a certain percentage of the total First Year's Budget to be placed in a reserve fund, which would accordingly result in an increase to the estimated Common Charges for the Residential Units for the First Year of Condominium Operation.

For the purpose of preventing evasion of the Bank Secrecy Act, the director of the Financial Crimes Enforcement Network of the U.S. Department of Treasury ("FinCen") issued a Geographic Targeting Order ("Order") to collect information about certain transactions, which applies to any corporation, partnership, limited liability company, or other similar business entity whether formed under the laws of a state, or of the United States, or a foreign jurisdiction, other than a business whose common stock or analogous equity interests are listed on a securities exchange regulated by the Security Exchange Commission ("SEC") or a self-regulated organization registered with the SEC, or an entity solely owned by such a business using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency, whether wholly or in part, without a bank loan or other similar form of external financing, to purchase "residential real property" in any borough of New York City for a total price in excess of certain threshold amounts. At the time of the Filing Date of this Plan, such reporting threshold is $300,000, which may be subject to change in the future. For the purposes of FinCEN, "residential real property" is defined as "real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families." Purchasers are advised that FinCEN has revised and extended the Order from time to time, which currently remains in effect until May 9, 2020 but may be subject to further extension. In the event that a Purchaser enters into a transaction that falls within the current scope of the Order, the Purchaser shall be required to deliver to the title company at Closing all documents and information necessary in order for the title company to comply with the requirements set forth in the Order. Any failure by a Purchaser to deliver such documents and information shall be deemed an Event of Default under the Purchase Agreement. For further details, Purchasers are advised to consult with a title company.

Any conflict between the Plan and the Purchase Agreement will be resolved in accordance with the terms of the Plan.

The provisions set forth in this section of the Plan shall also apply to Storage Lockers and Parking Units, as applicable.

ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, New York 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account maintained by Escrow Agent pursuant to the Plan, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall render the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account (excluding Special Work Funds). Each Purchaser is required to deliver, in addition to any other documents required by the Escrow Bank or any governmental agency, a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Attorneys for Sponsor (or Escrow Agent) at the time Purchaser signs and delivers the

Purchase Agreement and the Initial Deposit. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, and any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for deposits for Special Work Funds). If a Purchaser does not deliver the Form W-9 or FormW-8 or any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will remain or may be moved back into the non-interest bearing portion of the Escrow Account. Each Purchaser will be required to comply with the requirements of the Escrow Bank and/or any governmental agency at any time, failing which the Deposit shall remain in (or may be moved back into) the non-interest bearing portion of the Escrow Account. At such time as any Deposit is released, such Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of August 20, 2019, the interest rate for the Escrow Bank is approximately 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no assurance as to interest rates paid by the Escrow Bank and shall have no liability to Purchaser for changes to the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

All Deposits, except for any Special Work Funds, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time as Sponsor is entitled to the Deposits as per GBL § 352-h. Nothing contained herein shall diminish or impair Sponsor's statutory obligation to each Purchaser to hold in trust all Deposits made in connection with Purchase Agreements until such time as Sponsor is entitled to the Deposits pursuant to GBL § 352-h. Deposits shall not be part of the estate of the Sponsor or Escrow Agent upon any bankruptcy, incapacity or death.

Special Work Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Special Work Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or to reimburse Sponsor, for such special work. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan or if Sponsor abandons or withdraws the Plan, the Special Work Funds will be returned to Purchaser, to the extent not expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for special work.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery of the Initial Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the

Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit, including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate.

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

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

All Deposits delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service or, if applicable, wired directly to the Escrow Account. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

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

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

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

Sponsor has agreed to indemnify Escrow Agent from all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the Escrow Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for

protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, in its sole discretion. Any purported assignment by Purchaser in violation of this section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,500, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

Notwithstanding anything to the contrary, with respect to any request by a Purchaser for an assignment of a Purchase Agreement, Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

EFFECTIVE DATE

The offering by Sponsor of the Residential Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Residential Units offered for sale (i.e., 13 Residential Units based on 85 Residential Units offered for sale). The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Residential Units offered for sale (i.e., 13 Residential Units based on 85 Residential Units offered for sale).

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

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

If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a form RS-3. If Sponsor has accepted Purchase Agreements, all Deposits, together with any interest earned thereon, including for Special Work Funds, will be returned to Purchasers 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. If the Plan is abandoned and Sponsor has not accepted Purchase Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit. The Closing to each Unit shall be held at the office of Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017 or at such other place as Sponsor may designate.

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

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

(b) a TCO or PCO for the Unit is in effect. Issuance of a TCO or PCO for the Unit shall be deemed presumptive evidence of substantial completion of the Unit and is the only construction-related prerequisite that must occur before Sponsor may require the closing of title.

Notwithstanding anything to the contrary, Purchasers will be required to consummate the purchase of the Unit, on the one hand, and the Storage Locker and/or Parking Unit, on the other hand, simultaneously at Closing, even if the construction of the Storage Locker Area and/or the Parking Unit Area and/or the Storage Locker and/or Parking Unit is not yet completed and access to the Storage Locker and/or Parking Unit is not yet available. The issuance of a TCO or PCO for the Storage Locker Area and/or Parking Unit Area is not a prerequisite before Sponsor may require the Closing of title of a Unit and/or Storage Locker and/or Parking Unit . In such event, the proceeds from the sale of the Storage Locker and/or Parking Unit will be held in the Storage Locker and/or Parking Unit Escrow until such time as access to the Storage Locker Area and/or Parking Unit Area and /or Storage Locker and/or Parking Unit is made available to Purchaser. The Storage Locker and/or Parking Unit Escrow will not be held in an interest-bearing escrow account, and therefore, Purchaser will earn no interest on the Storage Locker and/or Parking Unit Escrow.

(c) the recording or filing of the Declaration, By-Laws, Tax Lot Drawings and architect and tax authority certifications required by § 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law.

(d) the release of the Unit and its appurtenant Common Interest from the lien of all mortgages, if any, or (at the option of Sponsor) if 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 Common Interest.

(e) the delivery to Purchaser of written notice of the time and place of the Closing at least 30 days prior to the Closing Date specified therein (unless Purchaser consents to waive such 30 day notice), including a reasonable opportunity for Purchaser to examine the Unit, during normal business hours and in the company of Sponsor's representative, prior to Closing. So long as a TCO for the Unit is in effect, Purchaser will be obligated to close title irrespective of the nature of the items that may be included on the Inspection Statement which Sponsor agreed to complete as part of its post-closing obligations.

(f) the installation by Sponsor of a smoke and carbon monoxide detector in the Residential Unit.

(g) the conveyance of title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Unit's title is subject, either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium to Purchaser) that such lien or

encumbrance will not be collected out of or enforced against the Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing.

Sponsor shall be entitled to deliver the Initial Closing Notice once the Plan has been declared effective and prior to meeting the remaining Closing prerequisites set forth in this section, including, but not limited to, the issuance of a TCO or PCO.

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

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

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

(c) a notice to Managing Agent indicating whether a child under the age of eleven (11) will be living or residing (even temporarily) in the Residential Unit or if the Purchaser wants to have legally-compliant window guards and/or window stops installed on the windows of the Residential Unit even though no child under the age of eleven (11) will be living in the Residential Unit. In the event that legally compliant window guards and/or window stops are to be installed, replaced, or repaired in the Residential Unit, such installation shall be performed at the direction of Managing Agent and all costs associated therewith shall be charged to and be borne solely by the Purchaser of the Residential Unit. Residential Unit Owners and their Permitted Users are prohibited from modifying or tampering with any window guards and/or window stops installed in the Residential Unit.

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

(e) all other documents necessary and/ or customary in connection with the conveyance of a condominium unit as directed by Attorneys for Sponsor.

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

Ongoing construction in the Building or other Units and/or the absence of a TCO or PCO for any other Unit or portion of the Common Elements shall not constitute a basis for Purchaser's failure or refusal to close.

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause all Deposits together

with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF PURCHASER'S ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S FAILURE TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

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

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

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's legal fees, Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title. Purchasers are advised that the Storage Lockers are deemed personal property and accordingly, are not mortgageable, insurable for title insurance purposes, or otherwise subject to the imposition of transfer taxes detailed in this section. In the event that transfer taxes are imposed on the sale of the Storage Lockers, payment of such taxes shall be the obligation of Purchaser. Recording charges, fees, title costs and taxes set forth below pertain to Units only and are based on rates in effect on the Filing Date of the Plan and are subject to change without notice. Please note that the rate information in this section is based on the assumption that the title insurance underwriter has filed an application for a rate deviation in the State of New York (as have most major title insurance underwriters in the state).

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

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are free to use a title company of their choice without any penalty. KCT Abstract LLC, having an office at 9 Elizabeth Street, 2nd Fl., New York, New York 10013 (telephone: 212-528-3338) ("Title Company"), has (i) reviewed the Plan and the Condominium Documents and has issued a letter to Sponsor that it is committed to insure that a valid Condominium will be created pursuant to the Condominium Act, (ii) issued the Specimen Title Policy set forth in Part II of the Plan, and (iii) provided Sponsor with the standard fee policy rates as set forth below:

FEE RATE SCHEDULE FOR INSURANCE LESS THAN $1,000,000

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

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

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

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted

rate of 30% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

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

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

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

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

(1) $2,500 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(2) $250 for the preparation of ACRIS transfer documents required by the City of New York.

(3) $500 for the preparation of the Storage Locker License, if applicable.

(4) $1,000 for the preparation of closing documents, calculation of adjustments, attendance at Closing in respect of the conveyance of each Storage Locker or Parking Unit, if applicable.

(5) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,500, payable in advance, for preparation of an assignment agreement.

(6) If, through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $1,250 for each rescheduled Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

(7) If Purchaser obtains mortgage financing, then Purchaser shall pay an additional fee of $750 to defray the costs associated therewith.

(8) If Purchaser effectuates a tax deferred exchange under section 1031 of the Internal Revenue Code, the Purchaser shall pay an additional fee of $750 in connection with the

consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with such tax deferred exchange.

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

(f) While New York State Real Estate Transfer Tax ("State Transfer Tax") and the New York City Real Property Transfer Tax ("RPT Tax") are the statutory obligation of Sponsor (in its role as seller), this obligation has been transferred to the Purchasers under the terms of this Plan, as is typical and customary in the majority of offering plans filed with the Department of Law. RPT Tax is calculated by multiplying the consideration by a 1% tax rate where the consideration is $500,000 or less or by a 1.425% tax rate where the consideration is more than $500,000, and State Transfer Tax is calculated by rounding the consideration up to the nearest $500 and multiplying that number by the applicable tax rate shown on the chart below:

State Transfer Tax:

Rounded Consideration Amount	*Tax Rate (Residential)*	*Tax Rate (Commercial)*
Less than $2,000,000	0.4%	0.4%
$2,000,000 - $2,999,999	0.4%	0.65%
$3,000,000 and higher	0.65%	0.65%

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

Additionally, where consideration is over $1,000,000, Purchaser shall be responsible for the New York Tax Law "additional tax," commonly known as the "mansion tax" ("Mansion Tax"), by multiplying the consideration by applicable tax rate shown on the chart below:

Mansion Tax:

Consideration Amount	*Tax Rate*
Under $1 million	Not subject to tax
At least $1 million, but less than $2 million	1%
At least $2 million, but less than $3 million	1.25%
At least $3 million, but less than $5 million	1.5%
At least $5 million, but less than $10 million	2.25%
At least $10 million, but less than $15 million	3.25%
At least $15 million, but less than $20 million	3.5%
At least $20 million, but less than $25 million	3.75%
$25 million and higher	3.9%

As the Mansion Tax is a statutory obligation of Purchaser, the payment by Purchaser of the Mansion Tax is not treated as additional consideration for the transaction. However, the New York City Department of

Finance has taken the position that the amount of Mansion Tax due at Closing (if any) is calculated based on the Taxable Consideration, as opposed to the Purchase Price, and therefore Purchasers should be aware that in some instances it is possible that the aforementioned "bulking up" of the consideration by virtue of the State Transfer Tax, RPT Tax, and other fees can ultimately cause a Purchase Price of less than $1,000,000 to exceed $1,000,000 in Taxable Consideration.

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

	Purchase Price $500,000 or less	***Purchase Price greater than $500,000 and less than $2,000,000***
Tentative RPT Tax:		
Purchase Price	$400,000	$1,500,000
Applicable Tax Rate	x 1%	x 1.425%
Subtotal: Tentative RPT Tax	**$ 4,000**	**$ 21,375**
Tentative State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Rounded up to the nearest $500	$400,000	$1,500,000
Applicable Tax Rate	x 0.4%	x 0.4%
Subtotal: Tentative State Tax	**$ 1,600**	**$ 6,000**
Actual RPT Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 5,600	+ 27,375
Sponsor Closing Fees	+ 3,000	+ 3,000
Taxable Consideration	**$408,600**	**$1,530,375**
Applicable Tax Rate	x 1%	x 1.425%
Total: RPT Tax	**$ 4,086**	**$ 21,808**
Actual State Transfer Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 5,600	+ 27,375
Sponsor Closing Fees	+ 3,000	+ 3,000
Taxable Consideration	**$408,600**	**$1,530,375**
Rounded up to the nearest $500	$409,000	$1,530,500
Applicable Tax Rate	x 0.4%	x 0.4%
Total: State Transfer Tax	**$ 1,636**	**$ 6,122**

Mansion Tax:		
Purchase Price	$400,000	$1,500,000
Tentative taxes (RPT + State Transfer)	+ 5,600	+ 27,375
Sponsor Closing Fees	+ 3,000	+ 3,000
Taxable Consideration	**$408,600**	**$1,530,375**
Applicable Tax Rate	*N/A*	1%
Total: Mansion Tax	*N/A*	**$ 15,304**

Thus, the effective tax rate of the RPT Tax is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is greater than $500,000, and the effective tax rate of the State Transfer Tax is approximately 0.41% where the consideration is less than $2,000,000 in commercial transactions or $3,000,000 in residential transactions (provided, however, that the rounding requirement in the calculation of the State Transfer Tax may affect the exact percentage), and the effective rate of the Mansion Tax is approximately 1.02% where the Purchase Price is greater than $1,000,000 but less than $2,000,000. For information regarding calculations involved in transactions of $2,000,000 or more or that are otherwise different from the limited scope set forth on the illustrative table above or in this paragraph, Purchasers are advised to consult with their Title Company or with counsel.

Sponsor has been advised by the Title Company that the information set forth below reflects the current position of the New York City Department of Finance with respect to RPT Tax that is due and payable in connection with the transfer by a seller of one or more units to the same or related purchasers, whether pursuant to one or more Purchase Agreements:

(1) ***Purchase of a single Residential Unit:***

The RPT Tax on the Residential Unit is 1% if the Taxable Consideration is $500,000 or less, or 1.425% if the Taxable Consideration is greater than $500,000.

(2) ***Purchase of multiple Residential Units:***

The RPT Tax on each Residential Unit is 1.425% if the Taxable Consideration is $500,000 or less, or 2.625% if the Taxable Consideration is greater than $500,000.

The Department of Finance currently takes the position that: (i) the lower tax rate (either 1% if the Taxable Consideration is $500,000 or less, or 1.425% if the Taxable Consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit;" and (ii) the higher tax rate (either 1.425% if the Taxable Consideration is $500,000 or less, or 2.625% if the Taxable Consideration is greater than $500,000) applies if a purchaser acquires more than one individual Residential Unit (i.e. two Residential Units).

(g) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, for original mortgages in a loan amount of less than $500,000, the mortgage recording tax rate is 2.05% of the face amount of the mortgage. For original mortgages in a loan amount of $500,000 or more, the mortgage recording tax rate is 2.175% of the face amount of the mortgage for one-to-three family homes and condominium units (or a 2.8% rate for all other properties, including, without limitation, commercial condominium units). Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $30 exemption for residential property. No representation is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

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

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

(i) If Purchaser obtains mortgage financing, then one of the two following events shall apply, to the extent applicable: (a) if Sponsor is eligible for a mortgage recording tax ("MRT") credit, then Purchaser will pay Sponsor a sum equal to the partial MRT credit to which Purchaser may be entitled pursuant to § 339-ee(2) of the Condominium Act," or (b) if Sponsor is ineligible for an MRT credit, Purchaser shall be required to cooperate with Sponsor, Construction Lender, and Title Company to effectuate a partial mortgage assignment, as set forth in more detail in the following subsection entitled "Mortgage Recording Tax Credit." In either case, any MRT credit received by Purchaser shall be paid to Sponsor as a reimbursement for the MRT previously paid by Sponsor in connection with any existing mortgages.

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

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

Mortgage Recording Tax Credit ("MRT")

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

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

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for a single Residential Unit with a Purchase Price of $1,500,000 and a projected mortgage of $1,200,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $1,500,000.00 of owner's insurance	Fee insurance premium.	$6,021.00
Mortgage Insurance Premium for $1,200,000.00 of lender's insurance	Mortgage insurance premium.	$1,247.00
RPT Tax	1.425% of bulked-up consideration of $1,530,125.	$21,804.28
State Transfer Tax	0.4% of bulked-up (rounded up) consideration of $1,530,500.	$6,122.00
Mansion Tax	1% of bulked-up consideration of $1,530,125	$15,301.25
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $3,000.	$23,070.00
Departmental and Bankruptcy Searches	Title searches.	$520.00
Estimated Recording Fees	One deed, one mortgage and one condo power of attorney.	$550.00
Estimated Lender's Title Endorsements	3 endorsements at $50 each.	$150.00
Sponsor Closing Fees	Basic closing fee ($2,500) + ACRIS document preparation fee ($250) + mortgage financing fee ($750).	$3,500.00
Working Capital Fund	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	*Excluding Working Capital Fund.*	$78,285.53

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

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

The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs.

Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance.

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

Example of Estimated Closing Costs for a Typical Residential Unit, Storage Locker and Parking Unit Purchased Concurrently by a Single Purchaser

A numerical example of estimated closing costs and expenses for a single Residential Unit (at a Purchase Price of $1,500,000), single Storage Locker (at a Purchase Price of $15,000) and single Parking Unit (at a Purchase Price of $50,000) purchased concurrently by a single Purchaser with an aggregate Purchase Price of $1,565,000.00 and a projected mortgage of $1,252,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $1,565,000 of owner's insurance	Fee insurance premium.	$6,247.00
Mortgage Insurance Premium for $1,252,000 of lender's insurance	Mortgage insurance premium.	$1,292.00
RPT Tax	1.425% of bulked-up consideration of $1,596,311.25.	$22,747.44
State Transfer Tax	0.4% of bulked-up (rounded up) consideration of $1,596,500.	$6,386.00
Mansion Tax	1% of bulked-up consideration of $1,596,311.25	$15,963.11
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $3,130.	$24,071.00
Departmental and Bankruptcy Searches	Title searches.	$520.00
Estimated Recording Fees	One deed, one mortgage and one condo power of attorney.	$550.00
Estimated Lender's Title Endorsements	3 endorsements at $50.00 each.	$150.00
Sponsor Closing Fees	Basic closing fee ($2,500) + ACRIS document preparation fee ($250) + mortgage financing fee ($750).	$3,500.00
Working Capital Fund	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	*Excluding Working Capital Fund.*	$81,426.55

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

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

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

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

Closing Adjustments

(i) Adjustments. At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled "Real Estate Taxes;" (b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and (c) if Purchaser is occupying a Residential Unit pursuant to a Use and Occupancy Agreement, accrued use and occupancy fees and other charges.

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

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

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

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges pursuant to section 5.12 of the By-Laws. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium Board and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a Lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: " Common Charges: Collection and Lien for Non-Payment" for details).

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

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

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor has procured financing for the construction of the Building from Axos Bank, having an address at 4350 La Jolla Village Drive, Suite 140, San Diego, California 92122 ("Construction Lender"). Sponsor will receive advances each month from Construction Lender provided Sponsor complies with the provisions of the construction loan regarding its responsibilities to use the funds advanced in the agreed manner and generally proceeds with the construction as agreed to in the loan documents. Pursuant to the terms of the construction loan documents, Sponsor must meet certain minimum release prices prior to Construction Lender's release of its lien against any Unit. The construction loan documents do not require a specific minimum number or percentage of Purchase Agreements to be entered into prior to declaring the Plan effective.

Mezzanine financing has also been provided for costs related to construction of the Building by NAFTALI CAPITAL PARTNERS III LLC, a Delaware limited liability company, having an address at 152 West 57th Street, 45th Floor, New York, New York 10019 (together with its successors and assigns and such other co-lenders as may exist from time to time, together with each of their successors and assigns) ("Mezz Lender"). The financing provided by Mezz Lender is not secured by a mortgage on the Building or any of the Units.

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

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

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

(d) Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the First Closing to take place on or about August 1, 2022. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Even if the First Closing occurs 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 is not obligated under the regulations promulgated by the Attorney General to

schedule any subsequent closing within any specified time frame. Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A UNIT.

In the event the actual or projected date of the First Closing is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated common charge projections. If the total common charge projections in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more in aggregate, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days from the presentation date of the amendment disclosing such updated budget, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon except for any Special Work Funds to the extent that such Special Work Funds have been expended (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).

As set forth in the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Sponsor shall have no liability for any losses incurred by Purchaser as a result of such adjournment, including, without limitation, any costs associated with Purchaser's financing arrangements, travel or lodging expenses, fees associated with transfers of funds, and lost interest on liquidated assets.

(e) Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, and will bear all costs and expenses in connection therewith, as is necessary in order to complete the Building with a quality of construction comparable to the currently prevailing local standards and in accordance with the Plans and Specifications.

(f) Notwithstanding anything to the contrary, Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) modify from time to time the Condominium Documents and the Plans and Specifications (including changes in layouts and designs) as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Units, or due to structural, architectural or mechanical considerations, or otherwise in accordance with the section of the Plan entitled "Changes in Prices and Units," and/or (ii) substitute materials, appliances, equipment and fixtures that are of Equal or Better Quality in place of those described in the Plan and the Plans and Specifications. Notwithstanding the foregoing, no such modification, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made which: (x) materially and adversely affects a Unit Owner or Purchaser; (y) increases any obligation of a Unit Owner or Purchaser to any adverse and material degree; and/or (z) with respect to such Unsold Residential Unit for which a Purchase Agreement is then in effect, increases or decreases the square footage (excluding interior partitions) or Common Interest by more than 5%, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Residential Unit, unless the Unit Owner or Purchaser consents to such changes. A decrease in a Unit's square foot area of 5% or less will not affect a Purchaser's obligations under the Purchase Agreement unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. The foregoing reservations of Sponsor's right to make changes is subject to the governing regulations of the Department of Law which provide for an affected Purchaser's consent for any

material changes in Unit size, layout, or percentage of common interest and all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Residential Unit and will not have any claim for damages or losses against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan, it being understood that nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. If Purchaser's consent is required as a result of a change due to field conditions and construction variances and tolerances, or as a result of changes in Law (including without limitation applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement and any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Any material and adverse modification will be reflected in an amendment to the Plan.

(g) At the First Closing, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other assignable undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, including the assignable warranties and assignable undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements, except that assignable warranties and assignable undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser on the Closing Date. Sponsor does not make any representation as to which, if any, of the warranties and other assignable undertakings will continue to remain in force upon the Closing of any particular Unit. Sponsor shall have no liability or responsibility in the event a warrantor is unable, unwilling or for any reason, fails to perform under its warranty.

(h) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by § 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the Buildings Department. A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor and its principal will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Residential Unit by a Residential Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Residential Unit Owner to perform alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board or (v) any other cause over which Sponsor has no control. Neither Sponsor nor its principal makes any representation that the Buildings Department will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor and its principal are obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such 2 year

period while keeping the TCO current. Unit Owners and the Condominium 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 Residential Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principal are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www1.nyc.gov/site/buildings/homeowner/certificate-of-occupancy.page.

The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular 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."

Notwithstanding anything to the contrary, Purchasers will be required to consummate the purchase of the Unit, on the one hand, and the Storage Locker and/or Parking Unit, on the other hand, simultaneously at Closing, even if the construction of the Storage Locker Area and/or the Parking Unit Area and/or the Storage Locker and/or Parking Unit is not yet completed and access to the Storage Locker and/or Parking Unit is not yet available. The issuance of a TCO or PCO for the Storage Locker Area and/or Parking Unit Area is not a prerequisite before Sponsor may require the Closing of title of a Unit and/or Storage Locker and/or Parking Unit . In such event, the proceeds from the sale of the Storage Locker and/or Parking Unit will be held in the Storage Locker and/or Parking Unit Escrow until such time as access to the Storage Locker Area and/or Parking Unit Area and /or Storage Locker and/or Parking Unit is made available to Purchaser. The Storage Locker and/or Parking Unit Escrow will not be held in an interest-bearing escrow account, and therefore, Purchaser will earn no interest on the Storage Locker and/or Parking Unit Escrow.

(i) If Sponsor fails to obtain a PCO for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Purchase Agreements (see the section of the Plan entitled "Escrow and Trust Fund Requirements") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), provided, however, that if Sponsor's architect, engineer or other qualified expert (collectively, "Sponsors Representative") certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a PCO, then the amount exceeding the sum so certified by Sponsor's Representative shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Representative, from time to time, certifies is reasonably necessary to complete the work needed to obtain the PCO. The Buildings Department advises Purchasers of houses and apartments who close title with only a TCO in place to consult with their attorneys or engineers for assurance that sufficient funds are escrowed or otherwise secured for Sponsor to obtain the PCO.

(j) Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. It is both customary and anticipated that certain issues will arise during the course of the construction process that warrant the taking of corrective action, including the repair or replacement of construction defects in order to satisfy Sponsor's obligations under the Plan.

(k) The Building will contain certain major mechanical equipment, including, but not limited to elevator machine rooms, compactor room, fans, pumps, condenser units (collectively, "Equipment")

located on the Cellar Floor, Floor 1 and roof, respectively, which may cause noise and vibration throughout the Building. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it may be impossible to eliminate such noise and vibration entirely. As a result, Units and amenity areas in close proximity may be affected.

(l) No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is anticipated that during the first few years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building and the Units, making repairs, adjustments and corrections and performing various tasks relating to the completion of construction. During this period various building systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. A Purchaser who closes title to his or her Unit during the course of construction of the Common Elements or other Units acknowledges that construction noise, vibration, fumes, odors, dust, debris, scaffolding and other temporary interruption of services may affect Purchaser's enjoyment of the Unit during such period. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of construction on any projected date, or any interruption of services in the Building. Furthermore, Sponsor does not make any representation (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium will not disturb occupants of the Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(m) Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Building or the Common Elements except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction and to cause all mechanic's liens with respect to the construction of the Building to be promptly discharged or bonded or to deliver any and all requested documents to the title company necessary to insure title to the Unit at no additional cost to Purchaser (which title company shall be licensed in the state of New York), all subject to Sponsor's rights to abandon the Plan.

(n) Each Residential Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Residential Unit unless Sponsor and the Purchaser otherwise agree in writing. With respect to Residential Units, upon receipt of the Initial Closing Notice (or at such time as may be applicable in the event that Sponsor and Purchaser have agreed to modify or waive the Initial Closing Notice requirement), Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Residential Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. If Purchaser believes that remaining items of work must be completed in the Residential Unit, then Sponsor or its designated representative and Purchaser will at the time of the inspection agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation under the Inspection Statement shall survive delivery of the deed to the Purchaser. Sponsor will cure the items on the Inspection Statement within a reasonable time period taking into consideration the nature of the conditions to be cured, availability of materials and Force Majeure. The failure of Sponsor to complete the work under the Inspection Statement prior to Closing shall not be grounds for Purchaser to delay the Closing or to refuse to pay the full Balance of the Purchase Price at Closing. Purchaser shall be obligated to provide Sponsor and its contractors,

subcontractors agents and employees, unfettered access to the Residential Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Notwithstanding anything set forth in this paragraph, at such time as a TCO for the Residential Unit is issued, Purchaser shall be obligated to close title to the Residential Unit and pay the Balance of the Purchase Price at Closing.

(o) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Residential Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are materially and adversely at variance with the Plans and Specifications for the same; and

(2) Sponsor is notified by the Condominium Board or the affected Residential Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not discoverable by a reasonable and customary inspection) in the construction of a Residential Unit, within 1 year of the earlier to occur of (a) the Closing of Title to the Residential Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Residential Unit prior to Closing;

(ii) with respect to any patent defect (that is, a defect that is discoverable by a reasonable and customary inspection) in the construction of a Residential Unit within 6 months of the earlier to occur of (a) the Closing of Title to the Residential Unit, or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Residential Unit prior to Closing, provided, in each instance such patent defect is not caused by the Residential Unit Owner or other occupant of the Residential Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a TCO or PCO covering such Common Elements shall be presumptive evidence (which is rebuttable) that the construction of the Common Elements has been substantially completed.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to the repair of a defect or replacement of a defective item, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or Managing Agent and/or the Residential Unit Owner fails to allow prompt access to the Residential Unit in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

d. Purchaser, through any act or omission (i) is the cause of such defect, (ii) obstructs, delays, prevents or hinders Sponsor from gaining access to the Residential Unit in order to repair or replace the defect, or (iii) undertakes the repair or replacement of such defect.

(3) This Limited Warranty is only available to the first Purchaser of the Residential Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Residential Units, the Common Elements or the Building.

(p) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction or renovation, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures) or any other condition:

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialpersons, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, without limitation, cracks in crown molding, minor gapping in the flooring, uneven ceilings or floors, "checking" or cracking of floors and floor buckling), damage to wood due to changes in humidity, deflection, expansion, contraction or shifting of the Building or any irregularities in natural materials;

(iii) resulting from Purchaser's (i) failure to maintain such appliances, equipment, finishes, materials or fixtures in accordance with manufacturers' guidelines and specifications and (ii) renovations and/or alterations to a Unit or its appurtenant Limited Common Elements; or

(iv) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete walls and paving, leaching or color variation in colored mortar, tiles or pavers, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles or pavers not laid flat, stained tiles or color variations in tiles or pavers, and cracks in pressure treated wood used, or intended for use, outside the Building;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board taping visible only under certain lighting conditions, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, expansion, contraction or separation of wood products, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. the installation of access panels throughout the Unit as required by the Department of Buildings or otherwise installed by Sponsor as reasonably necessary or customary, irrespective of the location and/or quantity of such access panels.

d. door or window sticking due to weather, door warpage (including warpage of the main entrance door or Terrace door to a Residential Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows or Terrace doors in excess of industry standards;

e. variations in tone or color of interior and exterior natural materials or natural stone including variations in tone or color of flooring, walls, countertops, backsplash, vanity tops or other natural stone, marble, ceramic or wood surfaces, slight scratches in plastic laminate, glass, metal, vitreous china, natural stone, wood, stainless steel, porcelain or other surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

f. variations in wood floor stains and finishes;

g. noise, vibrations or odors from normal plumbing, heating, air-conditioning, ventilating, mechanical equipment operation and elevator operation, and floor noises and creaking;

h. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, , electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware;

i. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, Residential Unit doors and Residential Unit door frames; and

j. pertaining to television, radio, internet or other telecommunication reception;

Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to construct the Building in accordance with all applicable Laws and the Plans and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to construct the Building in accordance with all applicable Laws and the Plans and Specifications shall be resolved in favor of the latter.

Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Residential Units by Residential Unit Owners, but Sponsor will not be obligated to replace any such surfaces. Additionally, during the course of construction concrete cracks and/or chips of a material nature on the exterior façade of the Building may be repaired by Sponsor by field patching.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (IV) ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD MUST PROCEED AT ITS SOLE COST AND EXPENSE AND/OR UTILIZE ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

(q) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR MONEY DAMAGES NOR SHALL PURCHASER HAVE ANY SUIT, CLAIM, CAUSE OF ACTION, OR DEMAND (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THE PLAN WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITION IN THE BUILDING (INCLUDING IN THE UNSOLD UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND COMPLETION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED. HOWEVER, NO SUCH DISCLAIMER OR LIMITATION OF LIABILITY ON SPONSOR'S PART SHALL APPLY TO SPONSOR'S OBLIGATIONS UNDER ALL APPLICABLE STATUTES, LAWS AND REGULATIONS.

(r) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board and/or Residential Unit Owners, as necessary, Sponsor does not make any representation of any kind, express or implied, and Sponsor hereby disclaims any and all warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Residential Units and the Common Elements and with respect to the personal property located within the Residential Units, the Common Elements, and the Residential Unit Owners assume all risk and liability from the use of this personal property.

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

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

(u) Sponsor will pay or cause to be paid all contractors, subcontractors and materialpersons 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 Sponsor's construction thereof.

(v) No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor will perform any work and/or supply any material necessary to obtain a PCO.

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

(x) At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession: (i) mechanical, electrical and plumbing drawings for the Building; (ii) operating and maintenance manuals

for mechanical equipment; (iii) electronic system manuals; (iv) major equipment start-up sheets and control system as-built; and (v) original test and balance report for HVAC system.

(y) In accordance with section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Tax Lot Drawings are an accurate copy of portions of the Plans and Specifications 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 and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is built in accordance with the Plans and Specifications.

(z) Sponsor will pay all Common Charges (once Common Charges have been assessed by the Condominium Board), Special Assessments and real estate taxes allocated to any Unsold Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations and to fund same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation.

(aa) At or prior to the First Closing, the Condominium Board or Sponsor (on behalf of the Condominium Board) will procure 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, the types and cost of which insurance has been reflected in the First Year's Budget. (See the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

(bb) Pursuant to the provisions of section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by Purchasers and by any person who shall have purchased a Residential Unit offered by the Plan or shall have participated in the offering of such Residential Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years from the date of the recording of the Declaration. In addition, a set of Tax Lot Drawings showing the layout, location and approximate dimensions of each Residential Unit and its Residential 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 Residential Unit, will be filed in the Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

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

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

(ee) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit prior to the Closing pursuant to a Use and Occupancy Agreement, at which time such risk, to the extent not covered by existing insurance, shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion within sixty (60) days of the damage to the Unit) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not

have the right to reject title or receive a credit against, or abatement in, the Purchase Price of the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made in its sole discretion within sixty (60) days of the damage to the Unit), or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return all Deposits, together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf, to Purchaser within thirty (30) business days of Sponsor's election not to repair or restore the Residential Unit or the Residential Unit Owners' resolution not to make such repairs or restoration, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(ff) Sponsor and its contractors, subcontractors, consultants, materialpersons, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Limited Common Elements, Storage Lockers and Parking Units) for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit and/or any appurtenant Limited Common Elements for their permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an emergency (i.e. a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

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

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

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

(jj) Sponsor does not anticipate that any Excess Development Rights will remain upon completion of the Building. However, if any Excess Development Rights do remain upon the recordation of the Declaration, or if the applicable provisions of the Zoning Resolution change in the future such that transferable Excess Development Rights are generated, such Excess Development Rights will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Condominium Board nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. The Condominium Board shall be obligated to cooperate with Sponsor in connection with any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Residential Units and/or Terraces may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration.

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

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

To the best of Sponsor's knowledge, as of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Units to Purchasers.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have all Deposits and any interest accrued thereon returned, except for any Special Work Funds to the extent that such Special Work Funds have been expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. Sponsor does not make any representations or warranties other than as set forth in the Plan.

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

Use of Unsold Units

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

Sales Center/Model Unit/Marketing Materials

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 Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Units imply or represent that any such FFE will be located within any portion of the Building or Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials. Furthermore, to the extent the Floor Plans set forth in Part II of the Plan, or any marketing materials and/or advertisements and/or websites used in connection with the marketing of the Residential Units, portray furniture, personal property, shelving or hooks within a Residential Unit, such items are intended to be for illustrative purposes only.

Sponsor's Easement Rights

Sponsor and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Residential Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Limited Common Elements and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Residential Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Permitted Users. Sponsor reserves the right to install fireplace flues and mechanical equipment on the roof of the Building.

Condominium Name

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

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Anthony Santiago, Bentley Zhao and Ka Wo Chan, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Each of these individuals is a principal of, or is affiliated with, Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium.

Sponsor will have control over the Condominium Board until the earliest to occur of (i) the fifth anniversary of the First Closing, (ii) the Closing of Title to all Residential Units offered for sale pursuant to the Plan, or (iii) the date on which Sponsor otherwise exercises its right to relinquish control of the Condominium Board ("Sponsor Control Period"). Notwithstanding the relinquishment of control by Sponsor, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including, without limitation, Sponsor's obligation to procure a PCO for the Building.

At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. When voting for Members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit per Member to be elected. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate four (4) of the five (5) Members of the Condominium Board.

Subsequent to the Sponsor Control Period, until the later to occur of (a) the second anniversary of the First Closing or (b) the Closing of Title to all Residential Units, Sponsor shall have the right to designate one (1) Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Members of the Condominium Board.

Within thirty (30) days after the expiration of the Sponsor Control Period, and assuming the First Annual Meeting has not yet occurred, three (3) of the four (4) Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Residential Unit Owners (including Sponsor for so long as Sponsor shall own one (1) Unsold Residential Unit) at a special meeting called for such purpose.

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

During the Sponsor Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective (i.e., 13 Residential Units based on 85 Residential Units offered for sale) and therefore owner-occupants may never gain effective control and management of the Condominium.

For so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the

creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

CONDOMINIUM BOARD

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

The First Annual Meeting will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion.

Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) individuals, who shall be elected and/or designated in accordance with the terms of the By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Members"). Except for Members designated by Sponsor and/or the Residential Unit Owners, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. The number or composition of Condominium Board Members may not be changed except in accordance with the procedures described in the By-Laws.

A Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners, provided, however, that any Member designated by Sponsor may only be removed and replaced by Sponsor.

Notwithstanding anything to the contrary set forth in the Plan, any Member of the Condominium Board may be removed "with cause" by an affirmative vote of a majority of the Members of the Condominium Board at a special meeting duly called for such purpose, in which case the replacement will be elected by the Residential Unit Owners or designated by Sponsor, as applicable.

No Member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such Member shall cease to be a Residential Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting Residential Unit Ownership and occupancy, and Condominium Board membership, shall not apply to Members of the Condominium Board designated by Sponsor.

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

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

To the extent permitted by Law, Members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor, or any

affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the Condominium. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interest indemnify each Member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such Member of the Condominium Board.

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

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Residential Unit Owner may either lease the Residential Unit for terms of not less nor more than 1 year or sell the Residential Unit provided that, in each instance, the Residential Unit Owner ("Offering Residential Unit Owner") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board, and an opportunity to purchase or lease such Residential 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 the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 days after receipt of notice, the Offering Residential Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Residential Unit Owner within such 60 day period or such sale or rental is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Residential Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of all Residential Unit Owners. The By-Laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Residential Unit Owners, (ii) increase Common Charges assessed against all Residential Unit Owners and (iii) impose Special Assessments against all Residential Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. Any such deed given by an Offering Residential Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Residential Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or rental of a Residential Unit in violation of this section shall be voidable at the election of the Condominium Board. The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

A Residential Unit Owner may lease, sell or convey the Residential Unit to a Family Member, may convey the Residential Unit by gift, may devise the Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Residential Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

A Residential Unit Owner may only sell or lease the entire Residential Unit. In addition, each conveyance of a Residential Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, the Residential Unit Owner's undivided interest in (a) the Common Elements, (b) any Residential

Unit or Residential Units acquired by the Condominium Board on behalf of all Residential Unit Owners, or any proceeds of the sale or rental thereof, and (c) any other assets of the Condominium. No part of the Residential 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 Residential Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Residential Unit Owners.

A Residential Unit may not be sold or leased unless all unpaid Common Charges and liens against the Residential Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or rental. In addition, the Condominium Board and the Managing Agent may (i) establish reasonable restrictions with respect to the sale or rental of Residential Units and (ii) implement fees in connection with the sale or rental of Residential Units, which shall be payable by the Offering Residential Unit Owner. The Condominium Board has the right, in its sole discretion, to terminate a lease, if the tenant has violated the terms of the Condominium Documents, including the Rules and Regulations beyond all applicable notice and grace periods. If the tenant fails to vacate after receipt of the termination notice from the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings against the tenant.

Any restrictions upon the sale and lease of Residential Units shall not apply to Sponsor with respect to any Unsold Residential Units, or to Residential Unit Owners with respect to any Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, all of whom shall be free to sell or lease without first offering to sell or lease to the Condominium Board and without payment of any Resale Fee or any other fees.

A Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the Closing of its Residential Unit from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale. The prohibitions set forth in (i) through (iii) above may be waived by Sponsor upon the Residential Unit Owner's prior written request, which waiver and any conditions thereto may be granted, withheld or delayed, in Sponsor's sole and absolute discretion.

Each Residential Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such Residential Unit ("Resale") prior to the first anniversary of the closing of such Sponsor Sale shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to send Sponsor a copy of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit per the Resale Agreement ("Resale Price") less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (iii) actual legal fees not exceeding $5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale Price:	$	4,500,000
- *less* Brokerage Commissions	($	270,000)
- *less* Transfer Taxes	($	82,125)
- *less* Legal Fees	($	5,000)
Net Profit	$	4,142,875
- *less* Sponsor Sale Price	($	3,000,000)
Gross Profit	$	1,142,875
x 50% = **Resale Fee**	**$**	**571,438**

The Resale Fee shall be paid to Sponsor by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by a Unit Owner must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Units, the obligation to pay the Resale Fee shall no longer be applicable. The obligation to pay a Resale Fee shall survive the Closing of the Sponsor Sale.

Sales of Storage Lockers

Except for Storage Lockers owned by Sponsor or the Condominium Board, a Storage Locker may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Any sale of a Residential Unit must be accompanied by the sale of any Storage Locker owned by the Residential Unit Owner.

Although the Storage Locker Area is a Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Storage Lockers located in the Storage Locker Area and retain all proceeds of such sale. The Condominium Board will not be entitled to any of the proceeds from the sale of Storage Lockers.

Upon the issuance of a Storage Locker License to a Residential Unit Owner, such Storage Locker License shall be assignable as set forth above without the consent of the Condominium Board provided written notification of such assignment is delivered to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private assignments between Residential Unit Owners.

The Condominium will not be entitled to any of the proceeds from the sale of the Storage Lockers. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

If the Condominium Board terminates a Storage Locker License or a Residential Unit Owner surrenders a Storage Locker License without assigning the Storage Locker License to another Residential Unit Owner, the Condominium Board shall have the right to issue a new Storage Locker License to another Residential Unit Owner, in its sole discretion, in such case, the Condominium shall be entitled to the proceeds from the sale of the Storage Locker.

Sales of Parking Units

Except for Parking Units owned by Sponsor or the Condominium Board, a Parking Unit may not be owned independently of a Residential Unit and may be conveyed only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. Any sale of a Residential Unit must be accompanied by the sale of any Parking Unit owned by the Residential Unit Owner.

The Parking Unit may be conveyed as set forth above without the consent of the Condominium Board provided written notification of such conveyance is delivered to the Condominium Board. Neither Sponsor nor the Condominium Board shall have any obligations or liabilities with respect to private conveyances between Residential Unit Owners.

The Condominium will not be entitled to any of the proceeds from the sale of the Parking Units. The Condominium Board has the right to impose Common Charge in connection with the Parking Units.

Use of Residential Units, Storage Lockers, Parking Units and Common Elements

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York as may be amended from time to

time, and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit 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) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

Each Residential Unit Owner who owns a Storage Locker and/or a Parking Unit will be required to maintain insurance in amounts sufficient to cover the property located in the Storage Locker and/or the Parking Unit.

Storage Lockers will be located in one of the two (2) the Storage Locker Areas of the Building on the Cellar Floor, shown on the Floor Plans set forth in Part II of the Plan. A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item be stored therein. Purchasers are advised that field conditions may require that certain Storage Lockers contain mechanical equipment, including, without limitation, pipes, ducts, ductwork, conduits, shafts, shaftways, chases, and chaseways. In such event, Purchasers will not be entitled to any credit, offset, or reduction in the Purchase Price of the Residential Unit or otherwise be relieved from any obligation under the Purchase Agreement.

Parking Units will be located in the Parking Unit Area on Floor 1, shown on the Floor Plans set forth in Part II of the Plan. A Parking Unit may be used only for the parking of motorcycles or compact or subcompact passenger vehicles. The maximum dimensions of a vehicle are as follows: 6' wide by 15' in length. Notwithstanding the foregoing, purchasers are advised to inspect the Parking Unit and to ensure that Purchaser's make and model of vehicle can actually be accommodated in the Parking Unit prior to entering into an agreement to purchase same. Due to the existence of certain columns and walls in the Parking Unit Area, Parking Unit purchasers are advised to take great care when parking and exiting the Parking Unit. Sponsor shall not be liable for damage to a vehicle resulting from the size of the Parking Unit or the existence of any columns or walls located in or near the Parking Unit or Parking Unit Area.

The approximate square footages and Purchase Prices of the Storage Lockers and Parking Units are set forth on Schedule A. No Storage Locker or Parking Unit may be used for any Prohibited Use. The use of a Storage Locker or Parking Unit for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Residential Unit Owner as a result of any Prohibited Use of a Storage Locker or Parking Unit shall be borne by such Residential Unit Owner as additional Common Charges.

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium Board or the Residential Unit Owners, use any Unsold Storage Locker for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker, subject to the provisions of the By-Laws.

The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

Purchasers should not purchase a Residential Unit in reliance on the use or availability of any Storage Locker and Sponsor does not make any representation of the availability of any particular Storage Locker.

Use and occupancy of the Residential Units and the Storage Lockers shall be subject to the Rules and Regulations of the Condominium, which may be amended by the Condominium Board from time to time.

The Building shall not be serviced by an emergency generator, and the Condominium Board, Sponsor, and their respective Permitted Users shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other such causes in or around the Building, including, without limitation, in the Units, Parking Unit Area and/or StorageLocker Area. Any loss or damage in any Unit as a result thereof will be at the sole cost of the respective Unit Owner.

Notwithstanding the foregoing, Sponsor may, without the consent of the Condominium Board or the Residential Unit Owners, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy for the Building or any other applicable governmental regulations, (2) use any Unsold Residential Units as model Residential Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance with Law, and (3) lease any Unsold Residential Unit to third parties for either long term or short term stays, in accordance with Law.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Residential Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Residential Unit. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash.

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

Mortgage of Units by Unit Owners

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

As more particularly set forth in the subsection entitled "Amendments to Condominium Documents," in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three (3) Residential 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 (ii) Institutional Lenders.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interest. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; and (c) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Residential Unit. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Lockers. Any monthly license fees imposed shall constitute "additional Common Charges" under the terms of the Condominium Documents.

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

During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board ("Waiver Period") provided the basic operating costs of the Condominium, including without limitation any insurance premiums and reserves required by lenders (collectively, "Operating Costs") are paid by either (i) Sponsor ("Sponsor Paid Waiver Period") or (ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, in proportion to their respective percentages of Common Interest ("Unit Owners Paid Waiver Period"). If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the expiration date of the Waiver Period and (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or an Unit Owners Paid Waiver Period. Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g. seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Also, as more fully set forth in special risk #14 of the Plan, given that the completion and/or availability of amenities, services, and/or facilities may be limited or restricted for a period of time following the First Closing depending on ongoing construction and/or the occupancy level in the Building, it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases and the construction of the Building progresses. In the event the Condominium Board thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of any new Waiver Periods at least thirty (30) days prior to expiration. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers are advised that during any Waiver Period (regardless whether the waiver period is a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period), Unit Owners will remain responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including, without limitation, as applicable, real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any

insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit.

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

Common Charges: Collection and Lien for Non-Payment

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

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

On a resale of a Unit, the purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor such purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such

unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or Purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

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

Repairs to, and Maintenance of, Residential Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Residential Unit (other than to the Common Elements contained therein), including all mechanical systems located in the Residential Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Residential Units, the fireplace, firebox, dampers, mantel and flue, if any, and the interior side of entrance doors thereto, and the Terrace doors, shall be performed by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense, (b) in or to the General Common Elements shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Common Expense, and (c) in or to the Limited Common Elements shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Common Expense, if involving structural or extraordinary maintenance, repair or replacement, (except if necessitated by the negligent act or omission of the Residential Unit Owner) or (ii) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacements.

A Storage Locker Owner is prohibited from painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to any Storage Locker, which shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Storage Locker Owners as a Common Charge. A Parking Unit Owner is prohibited from all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, in or to any Parking Unit or the Parking Unit Area, which shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Parking Unit Owners as a Common Charge. Notwithstanding the foregoing, in the event that the need for such painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary in or to any Storage Locker, Parking Unit or Parking Unit Area is caused by the negligence of a Unit Owner, then the cost and expense thereof will be charged to such negligent Unit Owner as a Common Charge.

If the hallway appurtenant to a Residential Unit is utilized by a single Residential Unit Owner, such Residential Unit Owner shall have the right to modify the décor of such hallway, provided that such décor is in keeping with the status of a first class luxury condominium. Such Residential Unit Owner shall be responsible, at its sole cost and expense, for all maintenance, repairs, replacements and upkeep of the common hallway and the furnishings located thereon.

Any Residential Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to

a Residential Unit in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense with the exception that the cleaning of the exterior portion of the glass surfaces shall be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Residential Unit Owners as a Common Expense. The replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including, without limitation, the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Residential Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Residential Unit Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows to be installed.

In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

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

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

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 Residential Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Residential Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof pursuant to the Condominium Documents.

Purchasers should note that wood products have certain inherent risks. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: cracks between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. The foregoing items may affect light-colored wood more noticeably. Additionally, wood products are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). These variations may occur between (a) pieces of wood taken from the same tree, (b) wood products located in the same area of the Residential Unit, and/or (c) pieces of wood in a Residential Unit and samples shown by the Selling Agent. Wood products can

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

Certain surfaces in the Residential Units may consist of natural stone. Purchasers should be aware that natural stone can be porous and calciferous, with the potential to absorb and/or chemically react to certain substances. As a result, Purchasers are advised that contact with certain liquids or other substances may result in discoloration or etching. To reduce (but not eliminate) the possibility of discoloration and/or etching, Sponsor may, but is not obligated to, apply a sealer to natural stone surfaces in the Residential Units prior to delivery of such Residential Unit to Purchaser, in which event all decisions with respect to selecting the professionals and the products shall be made by Sponsor in its sole discretion. Purchasers are advised that the application of a sealer to the stone does not in any way guarantee that future discoloration or etching will not occur. Furthermore, it will be each Residential Unit Owner's obligation to maintain the natural stone, including any obligation to engage a professional to reapply the sealer at regular intervals. Purchasers should consult a professional regarding the proper care and maintenance necessary to preserve the appearance of natural stone surfaces.

Alterations, Additions and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to the Unit or its appurtenant Limited Common Elements, if any, without the prior approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior approval of the Condominium Board. No Storage Locker Owner or Parking Unit Owner may make any structural or non-structural alteration, addition, improvement or repair in or to its Storage Locker or Parking Unit without the Condominium Board's consent, which may be withheld for any reason or no reason.

To the extent that any alterations are commenced in a Residential Unit by a Residential Unit Owner prior to Sponsor's completion of any unfinished work Sponsor agreed to perform after the Closing of the Residential Unit, Sponsor shall be relieved of completing all such work.

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

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 Residential Unit, or its appurtenant Limited Common Elements each Residential Unit Owner is required by the By-Laws to (i) obtain the approval of the Condominium Board, (ii) obtain the approval of the Condominium Board of the Residential Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium Board, Managing Agent and the other Residential Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such

alterations, additions, improvements or repairs, (vi) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed, and (vii) agree to pay a fee to the Managing Agent for processing such alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other workers employed in the Building or otherwise cause disharmony with any Building service union as determined by the Condominium Board in its sole and absolute discretion. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Residential Unit Owner under the Condominium Documents.

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, improvement or repair to be made in a Residential Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Residential 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, materialperson, 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 Residential Unit provided any alteration to such Unsold Residential Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, any Limited Common Elements appurtenant thereto, and any Unit Owner Property or any liability with respect to occurrences in or about any Unit and any Limited Common Elements appurtenant thereto.

Each Unit Owner is required, at such Unit Owner's sole cost and expense, to obtain and maintain in full force and effect (a) casualty insurance with respect to the Unit, any Limited Common Elements appurtenant thereto, and any Unit Owner Property and (b) liability insurance with respect to occurrences in or about the Unit or any Limited Common Elements appurtenant thereto. All certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds and shall be delivered to the Condominium at the Closing of Title to the Unit. All such policies shall contain waivers of subrogation, if commercially reasonable, and the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any Managing Agent, manager, and other persons authorized by the Condominium Board, will have a right of access to any Unit, Parking

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

Lot Line Window

There is only one lot line window in the Building: in the living room of Unit PH2 on the twelfth floor. This lot line window is located on an exterior wall that is a maximum 3'0" from the lot line, where the adjacent property is owned by others. While such window provides views, light and air to spaces in the Residential Unit, it cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Unit PH2 has other windows which satisfy requirements for the lawful use of such Residential Unit for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it is customary in the industry for such abutting property owner to pay all costs and expenses associated with closing up any lot line windows, to the extent required. If for any reason the abutting property owner does not agree to perform such work and/or pay for the costs thereof, the responsibility to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium (including all costs and expenses associated therewith, currently estimated to be approximately $2,000 to $5,000 per window) shall remain solely with the affected Residential Unit Owner, including Sponsor with respect to Unsold Residential Units, as applicable). This projected cost may increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required, including, without limitation, any obligation to pay any costs or expenses associated therewith or to induce or cause any abutting property owner to pay such the costs or expenses.

Smoking Policy

The Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York. As a summary of the Smoking Policy, smoking is permitted within a Residential Unit and on a Terrace or balcony appurtenant to a Residential Unit, but is not permitted in any of the Building's common areas. Purchasers are advised to refer to Part II of the Plan to read the Smoking Policy in its entirety.

Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including, without limitation, the imposition of fines or penalties against the Residential Unit Owner. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Rules and

Regulations, including, without limitation, to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

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

General

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

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

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The First Annual Meeting will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion. At such meeting,, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor to designate Members of the Condominium Board, the Residential Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 5 Members. (See the subsection below entitled "Meetings and Votes of Residential Unit Owners" and the section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, Members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

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

Powers and Duties of and Determinations by the Condominium Board

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

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no alternatives are available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) to ensure the health and safety of the occupants of the Building.

Meetings and Votes of Residential Unit Owners

Annual meetings of Residential Unit Owners shall be held approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the 5

Members to the Condominium Board, subject to any rights of Sponsor to designate Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Residential Unit Owners having in aggregate not less than 40% of the total Common Interest. The Secretary of the Condominium Board shall mail or email a notice of each annual or special meeting to all Residential Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 40% of the total Common Interest 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 Residential Unit Owners.

At all meetings, each Residential Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Residential Unit. An Owner of a Storage Locker or Parking Unit shall not be entitled to vote such Unit Owner's percentage of Common Interest attributable to the Storage Locker and/or the Parking Unit.

Officers

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

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (excluding each Unit and Unit Owner Property).

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 Interest. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more of all Residential 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 Residential 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 Interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order

of the priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

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

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent commercially reasonable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) a commercial package policy including fire and special causes of loss, on at minimum a replacement cost valuation or replacement cost coverage and agreed valuation, insuring the Building (excluding the Units, any Limited Common Elements appurtenant thereto, and any Unit Owner Property), together with all Building service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their interests may appear; (b) rent insurance; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) water damage legal liability insurance; (f) fidelity bonds covering the Condominium Board and all officers, directors and employees of the Condominium; (g) directors and officers liability insurance; and (h) such other insurance as the Condominium Board may determine.

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

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of (a) subrogation; (b) a cross-liability endorsement; and (c) pro rata reduction of liability if Unit Owners obtain additional coverage and shall provide that such policies may not be cancelled or substantially modified without at least 10 days' prior written notice to the Condominium Board and to all of the insureds, including Permitted Mortgagees who have requested the same from the Condominium Board in writing. Evidence of insurance 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, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days' prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent commercially reasonable, commercial general liability insurance covering claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium Board Member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's Unit or any Limited Common Elements appurtenant thereto. The Condominium Board shall

review such limits not less than once each year. Until the first Condominium Board meeting following the First Annual Meeting, such liability insurance shall be in at least the sum set forth in the First Year's Budget with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

Liability of the Condominium Board and Unit Owners

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

Reports to Residential Unit Owners

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

Amendments to Condominium Documents

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

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

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 80% in number and in Common Interest of all Residential Unit Owners. Such vote shall not be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Residential Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Residential 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 Interest after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

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

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

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all 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 Interest. In the event any Unit Owner individually seeks to have the assessed valuation of the Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, attorneys' fees, costs and disbursements) resulting from such proceedings.

Mechanics' Liens

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

Easements

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

Sponsor and its contractors, subcontractors, consultants, materialpersons, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Limited Common Elements, Parking Units and/or Storage Lockers) for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit and/or any appurtenant Limited Common Elements for their permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an emergency (i.e. a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

Purchasers are advised that, as is standard and typical for buildings located in Manhattan, the surrounding metropolitan area may produce noise, traffic, fumes, odors, vibrations, or other disturbances over which Sponsor, the Condominium Board and the Residential Unit Owners may have no control. Additionally, across Delancey Street from the Property and running east-west between Manhattan and Brooklyn, is the Williamsburg Bridge, on which an active, above-grade New York City subway track runs ("Subway Track"). Purchasers are advised that noise and/or vibration may be experienced by occupants in the Building when subway trains are travelling along the Subway Track. Vehicular traffic also crosses the Williamsburg Bridge, which may also lead to noise and/or vibration being experienced by occupants in the Building.

Façade Inspection Safety Program

The Façade Inspection Safety Program (formerly Local Law 11.98), which has been incorporated into the Administrative Code as section 28.302.1 ("FISP") shall apply to the Building. In accordance with FISP, the Condominium Board is responsible for scheduling inspections of the physical condition of the exterior walls and any terrace/balcony railings and guards (including fire escapes) of the Building and submitting a technical report thereof with the Buildings Department every five (5) years. The cost and expense thereof, including the cost of any repairs or maintenance to the façade or other parts of the Building as a result of such inspections, shall be borne by the Condominium and shall be charged to all Unit Owners as a Common Expense (subject to any rights by the Condominium Board to draw from the Working Capital Fund, in its sole discretion).

The Declaration and the By-Laws

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

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

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was based, in part, upon the opinion letter prepared by Income Tax Counsel, a copy of which is set forth in Part II of the Plan.

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

Income Tax Deductions to Residential Unit Owners

Each Residential Unit Owner will own such Residential Unit Owner's 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 such Residential Unit Owner's Residential Unit in fee simple, the owner may mortgage such Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

Subject to certain exceptions and limitations that are more particularly discussed in the Income Tax Counsel's opinion letter, it is the opinion of Income Tax Counsel that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions will, under current U.S. federal, New York State and New York City income tax Law, be entitled to a deduction for mortgage interest and state and local real property taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers. Purchasers should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return).[1] Interest on mortgage indebtedness that does not satisfy these requirements, such as home equity indebtedness, or is in excess of these limitations, is not deductible. In addition, special limitations also apply to the deductibility of points and other prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

With respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent described above.

[1] Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above, that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York state and New York city income tax purposes to a resident individuals all as more particularly discussed in the Income Tax Counsel's opinion letter.

Tax Status of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association" under Section 528 of the Internal Revenue Code, which requirements are discussed in the Income Tax Counsel's opinion letter, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as income from assessments from Residential Unit Owners 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. If 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 Income Tax Counsel's opinion letter, 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. Alternatively, it is possible that some or all of such income might be reportable directly by the Residential Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification. Schedule B, First Years Budget for Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not budget any amounts for taxes for nonmembership or membership.

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 Income Tax Counsel bases its opinion, will not change. In no event will Sponsor, its principal, Income Tax Counsel, Selling Agent, 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 Residential Units offered under the Plan, and no one has been authorized to give any warranties.

Purchasers are advised to refer to the Income Tax Counsel's opinion letter set forth in Part II of the Plan for more information about income tax deductions and other information relating to income taxes. This section deals only with the specific tax matters discussed herein, which do not necessarily comprise all tax matters that may be significant to purchasers of Residential Units. No representation is made with respect to any federal, New York State, or New York City tax consequences other than as expressly discussed herein or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction, and accordingly Purchasers are recommended to consult with their own tax advisor with respect thereto.

REAL ESTATE TAXES

The following discussion of projected real estate taxes for the First Year of Condominium Operation was based, in part, upon the opinion letter prepared by Metropolitan Realty Exemptions, Inc. ("Real Estate Tax Consultant"), a copy of which is set forth in Part II of the Plan.

The real estate taxes for the First Year of Condominium Operation running from August 1, 2022 – July 31, 2023, are comprised of eleven months of the 2022/2023 tax year and the first month of the 2023/2024 tax year. It is estimated that the aggregate real estate taxes payable with respect to the Building for the First Year of Condominium Operation will be approximately $1,000,609, assuming (a) an estimated transitional/taxable assessed valuation for the Property of $8,143,344 for eleven months of the 2022/2023 tax year and $8,306,211 for the first month of the 2023/2024 tax year, both reflecting an assessment following completion of construction, and (b) a tax rate of 12.267 (which assumes that the 2020/2021 tax rate remains static) per $100 of assessed valuation for the 2022/2023 and 2023/2024 tax years. This tax projection does not take into account any real estate tax abatements that may be applicable to the Property at any given time. No representation is made or assurance given as to what the actual tax rate or assessed valuation will be for such period.

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

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

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

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property.

WORKING CAPITAL FUND AND APPORTIONMENTS

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

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

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

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

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

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

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

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

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

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

(9) janitorial service fees, if any.

(10) management fees.

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

(12) other customary closing adjustments.

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

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

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the section of the Plan entitled "Control By Sponsor" for details.)

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

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

RESERVE FUND

Schedule B - Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements, which is authorized under Article 6 of the By-Laws. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Residential Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises. While Sponsor controls the Condominium Board, the Reserve Fund will not be used to reduce Common Charges. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Continental Building Management LLC ("Managing Agent"), having an office at 4916 3rd Avenue, Brooklyn, New York 11220 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of 1 year commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will continue on a month-to-month basis, but may be cancelled by either party without cause, upon not less than 60 day's prior written notice.

Managing Agent will receive an annual fee, payable in equal monthly installments during the initial term of the Management Agreement as follows: $42,000 per annum. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

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

(1) billing and collecting Common Charges.

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

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

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

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

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

(7) maintaining payroll records and filing withholding tax statements for employees.

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

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

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

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

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

(13) processing applications for waivers of the right of first refusal.

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

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

Certain services performed by the Managing Agent may be subject to separate fees payable by the Unit Owner benefiting therefrom, such as processing applications of Unit Owners for waivers of the "right of first refusal" (in connection with sales, assignments, or leases of Units) and processing alteration agreements.

The Management Agreement shall additionally include (among other things) the following provisions:

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

(b) the Condominium Board shall reimburse Managing Agent for reasonable disbursements or expenses incurred in the performance of Managing Agent's duties under the Management Agreement.

(c) the Management Agreement may not be assigned by Managing Agent without the prior approval of the Condominium Board.

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

There are presently no contracts or leases binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

NERE LI Development LLC is a limited liability company organized under the laws of the State of New York, with an office at 4918 3rd Avenue, Brooklyn, New York 11220 ("Sponsor").

The principal of Sponsor (as such term is defined in the Department of Law's regulations) is Bentley Zhao, having an office address c/o Sponsor at 4918 3rd Avenue, Brooklyn, New York 11220.

Prior Offerings

With respect to public offerings which were initially offered during the past 5 years, (i) Sponsor has not taken part in any such offerings and (ii) the principal of Sponsor has taken part in the following such public offerings:

Project:	Date Filed:
Onyx Square Condominium 2128 Ocean Avenue Brooklyn, NY AG File No. CD17-0091	8/23/2017
424W52 Condominium 424 West 52nd Street New York, NY AG File No. CD18-0172	5/24/2019
269 4th Avenue Condominium 269 4th Avenue Brooklyn, NY AG File No. CD18-0405	Submitted, not yet accepted
37-14 34th Street Condominium 37-14 34th Street Long Island City, NY AG File No. CD18-0434	Submitted, not yet accepted
567 Ocean Condominium 222 East 21st Street Brooklyn, NY AG File No. CD19-0105	Submitted, not yet accepted
West 45 409 West 45th Street New York. NY AG File No. CD16-0098	Abandoned 6/30/2017

The principal of Sponsor is current in his financial obligations with respect to these projects.

There have been no prior felony convictions of Sponsor, any principal of Sponsor, or any individual who owns or controls a 10% or more equity interest in Sponsor, and no prior convictions, bankruptcies, injunctions and judgments 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 against Sponsor, any principal of Sponsor, or any individual who owns or controls a 10% or more equity interest in Sponsor.

Counsel for Sponsor

Sponsor has retained the following attorneys in connection with the preparation of the Plan and other services:

- The law firm of Starr Associates LLP, having an office at 220 East 42nd Street, Suite 3302, New York, New York 10017 ("Attorneys for Sponsor"), was engaged to represent Sponsor in connection with the Plan and to serve as Escrow Agent. Allan Starr, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Units.

- The law firm of Olshan Frome Wolosky LLP, having an office at 1325 Avenue of the Americas, New York, New York 10019 ("Income Tax Counsel"), was engaged to prepare the Income Tax Opinion for the Condominium and Residential Unit Owners under the direction of Warren Gleicher, Esq.

- Metropolitan Realty Exemptions, Inc., having an office at 381 South 5th Street, Brooklyn, New York 11211 ("Real Estate Tax Consultant"), was engaged to provide the Real Estate Tax Opinion set forth in Part II of the Plan.

Selling Agent

The selling agent for the Condominium will be Urban Compass Inc., d/b/a Compass, having an address at 90 Fifth Avenue, 3rd Floor, New York, New York 10011 ("Selling Agent"). Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years.

There have been no prior felony convictions of Selling Agent, any principals of Selling Agent, or any individual who owns or controls a 10% or more equity interest in Selling Agent, and no prior convictions, bankruptcies, injunctions and judgments 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 against Selling Agent, any principal of Selling Agent, or any individual who owns or controls a 10% or more equity interest in Selling Agent.

Managing Agent

The managing agent for the Condominium will be Continental Building Management LLC, having an office at 4916 3rd Avenue, Brooklyn, New York 11220 ("Managing Agent"). Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for over many years. It currently provides property management services for many residential cooperatives and condominiums.

There have been no prior felony convictions of Managing Agent, any principals of Managing Agent, or any individual who owns or controls a 10% or more equity interest in Managing Agent, and no prior convictions, bankruptcies, injunctions and judgments 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 against Managing Agent, any principal of Managing Agent, or any individual who owns or controls a 10% or more equity interest in Managing Agent.

Construction Professionals

Sponsor has retained the following professionals in connection with the construction of the Building ("Construction Professionals"):

a) Architect of Record

S M Tam Architect, PLLC, having an office at 5816 Fort Hamilton Parkway, Residential Unit M1 Brooklyn, New York 11219 is the architect of record for the Building ("Architect"). Architect prepared the Floor Plans of Residential Units set forth in Part II of the Plan and the Tax Lot Drawings which will be filed with the Department of Finance of the City of New York required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof together with a certification, both of which are set forth in Part II of the Plan. Architect has been providing architectural services for many years and has been the architect of many buildings.

b) Design Architect

ODA Architecture P.C. having an office at 250 Park Avenue South, 5th Fl., New York, New York 10003, is the design architect for the Building ("Design Architect"). The Design Architect has been providing architectural services for many years and has been the design architect of for many buildings.

c) Structural Engineer

YJL Engineering, P.E., having an office at, New Brunswick, New Jersey 08901, is the structural engineer for the Building ("Structural Engineer"). Structural Engineer has been providing structural engineering services for many years and has been the structural engineer for many buildings.

d) Mechanical Engineer

All City Engineering, P.C., having an office at 107 E. Broadway, 5th Floor, New York, New York 10002, is the mechanical engineer for the Building. Mechanical Engineer has been providing engineering services for many years and has been the mechanical engineer for many buildings.

Budget Expert

Sponsor has engaged Continental Building Management LLC, having an office at 4916 3rd Avenue, Brooklyn, New York 11220 ("Managing Agent"), as Sponsor's budget expert ("Budget Expert"). Budget Expert estimated all amounts of income and expenses in the First Year's Budget in consultation with Sponsor. Budget Expert has rendered a certification as to the adequacy of the First Year's Budget, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principal have no affiliation with Attorneys for Sponsor, Selling Agent, Income Tax Counsel, Real Estate Tax Consultant, the Construction Professionals, Budget Expert, or any person or firm who will provide services to the Condominium subsequent to the First Closing except that principal of Sponsor is affiliated with Managing Agent,.

Neither Attorneys for Sponsor, Income Tax Counsel, Real Estate Tax Consultant, the Construction Professionals, nor Budget Expert have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

General

Neither Sponsor nor its principal has entered into contracts or agreements, written or oral, or accepted any Deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

Sponsor reserves the right to substitute other Persons to perform services prior or subsequent to the First Closing, in which case such change shall be disclosed in a duly filed amendment to the Plan.

REPORTS TO UNIT OWNERS

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

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Residential Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of §352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys upon written request and reasonable notice without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Tax Lot Drawings showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

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

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents (which forms may be revised prior to their recordation or the First Closing, as applicable). Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

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

Since the Building will be newly constructed, there are neither commercial nor residential tenants occupying the Building as of the Filing Date of the Plan.

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

The Condominium will comprise the land designated, as of the Filing Date of the Plan, as Block 343, Lot 68, in the County of New York, Borough of Manhattan, City and State of New York, and known by the street address 208 Delancey Street, New York, New York ("Property"). A parcel adjacent to the Property to the north is Block 343, Lot 67 and known by the street address 53 Pitt Street, New York, New York ("Adjacent Parcel"). The Building is intended to be constructed adjacent to the Adjacent Parcel. The prior owner of the Property, Delancey Bridge Tower Inc., entered into a certain light and air easement agreement with the owner of the Adjacent Parcel, dated April 30, 2012 and recorded in the Register's Office on October 9, 2012 in CRFN 2012000399691 ("Light and Air Easement"). A roughly 30' X 30' area in the northwest corner of the Property, beginning at a height of 13' above the sidewalk is burdened by the Light and Air Easement ("Easement Area") as more particularly described in the Light and Air Easement. Pursuant to the Light and Air Easement, Delancey Bridge Tower Inc. granted the owner of the Adjacent Parcel a permanent and perpetual easement for light and air of the Easement Area; the Easement Area must be maintained, kept clear and unobstructed.

Purchasers are advised that as a result of the Light and Air Easement benefiting the owner of the Adjacent Parcel, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner into the volume of space covered by the Light and Air Easement will not be possible. Except to the extent set forth herein, Sponsor does not anticipate that the Light and Air Easement will materially restrict or impact the Condominium.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15

days from the Presentation Date of such amendment. Sponsor shall promptly return all Deposits, together with any interest earned thereon, as well as any Special Work Funds to the extent not expended, to Purchasers who rescind, except that Sponsor shall retain all Deposits of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

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

Sponsor has not entered into any contracts or agreements, written or oral, for the sale of any units offered under the Plan or taken any deposits or advances of funds in connection with the sale of units or closed title with respect on any contracts or agreements as of the date of acceptance of the Plan.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Improvements" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Improvements or as contemplated to be made as described therein.

PART II

CONDOMINIUM OFFERING PLAN

208 DELANCEY CONDOMINIUM
208 DELANCEY STREET
NEW YORK, NEW YORK 10002

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DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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DESCRIPTION OF PROPERTY AND SPECIFICATIONS FOR

208 DELANCEY CONDOMINIUM
208 DELANCEY STREET
NEW YORK, NY 10002

Date: February 2, 2021

(a) **Location and Use of Property**

1. The address of the building is 208 Delancey Street, New York, New York 10002. The property is located on Delancey Street between Pitt Street and Ridge Street in the Borough of Manhattan, the City of New York.

2. The building is located in Block 343 and Lot 68, New York County, New York.

3. The property lies within residential Zoning District R8A recorded from Map 12c of the New York City Zoning Resolution dated 8/8/2018.

4. The zoning of the property permits residential use. The Zoning and proposed use will comply with all Zoning and use requirements at time of closing.

5. Landmark Status:
The project is not within a landmark district.

(b) Status of Construction

1. The construction started on September 24, 2012. Substantial completion of construction is projected at approximately August 30, 2022, subject to construction delays and other delays by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions, approvals or preemption, damages by fire or the elements or any other cause over which the Sponsor has no control.

2. The new building project was filed with the NYC Department of Buildings under the 2008 NYC Construction Code.

3. The class of construction is I-B; the bearing walls and other major structural elements are generally of two-hour fire resistance rating.

TABLE 601 FIRE-RESISTANCE RATING REQUIREMENTS FOR BUILDING ELEMENT (HOURS)

BUILDING ELEMENT	TYPE IB
STRUCTURAL FRAME INCLUDING COLUMNS, GIRDERS, TRUSSES	2
BEARING WALLS EXTERIOR INTERIOR	 2 2
NONBEARING WALLS AND PARTITIONS EXTERIOR	SEE TABLE 602
NONBEARING WALLS AND PARTITIONS INTERIOR	0
FLOOR CONSTRUCTION INCLUDING SUPPORTING BEAMS AND JOISTS	2
ROOF CONSTRUCTION INCLUDING SUPPORTING BEAMS AND JOISTS	1

TABLE 602 FIRE-RESISTANCE RATING REQUIREMENTS FOR EXTERIOR WALLS BASED ON FIRE SEPARATION DISTANCE

FIRE SEPARATION DISTANCE (FEET)	TYPE OF CONSTRUCTION	OCCUPANCY GROUP M	OCCUPANCY GROUP R-2,S-2
<5	ALL	2	1
>= 5 TO <10	OTHER	1	1
>=10 TO <30	IB	1	1
>=30	ALL	0	0

4. The architect's plans were filed September 26, 2011 and approved by the New York City Department of Buildings on April 30, 2012. Upon the completion of the project, a Certificate of Occupancy from the NYC Department of Buildings will be issued and submitted as an addendum to this report. The Sponsor shall obtain at least a temporary Certificate of Occupancy, or its local equivalent, prior to first closing.

5. The DOB jobs that have been filed and permits that have been issued as of the date of this report are as follows, with an anticipated substantial completion date of August 30, 2022.

Job #	**File Date**	**Description**	**Status**	**Status Date**	**PAA#/ Description**
120838317	9/26/2011	New Building	Permitted	9/21/2012	
120838317	7/22/2020	NB PAA	Approved	7/23/2020	Layout / Elevation Changes*
121157808	9/18/2012	Standpipe	Permitted	5/7/2014	
122092804	8/7/2014	FA-Manual	Disapproved	10/3/2014	
122092813	8/7/2014	FA – Auto	Disapproved	10/3/2014	
140278143	11/7/2014	Shoring	Permitted	11/13/2014	
140789029	9/28/2018	BPP	Disapproved	1/5/2020	

None of the job applications were professionally certified or Dir 14. NB PAA Doc #11 involved major changes to the floor and unit layout, including building setback and addition of 1 floor and 15 dwelling units. Resulting plan will include 12 floors and 85 dwelling units.

6. The proposed building is a Quality Housing Project and the project is in compliance with requirements:

    a. Refuse Storage and Disposal
    b. Laundry Facility
    c. Daylight in Corridors
    d. Recreation Space – 2.8% minimum required=1,641 sf; provided 1,360 at Cellar courtyard, 1,275 at Cellar indoor recreation room; 984 at 2nd floor indoor recreation room and 1,063 common roof area.
    e. Planting Area
    f. Density Per Corridor

(c) <u>Site</u>

1. The subject property is approximately 10,925 square feet, and the size of the property is as approximately 100’-0” x 128’-0” minus 25’-0” x 75’-0” belonging to the adjacent property at the corner of Delancey Street and Pitt Street.

2. There will be one building on the site, consisting of twelve (12) stories plus cellar and comprising eighty-five (85) residential units, four (4) parking spaces, forty-three (43) bicycle parking spaces, and fifty (50) storage lockers.

3. Streets owned or maintained by the project:

    There is no private street proposed.

4. Drives, sidewalks and ramps:

    a. Paving:
    The new street pavement will be composed of asphalt.

    b. Curbing:
    The new curbs will be poured concrete.

    c. Paving:
    The new sidewalk material will be cast-in-place concrete.

    d. Catch basins, drainages:

The new sidewalk will slope away from the building providing positive drainage without ponding. Under current approved plans, this site will be graded to direct storm water and rain away from the building.

Catch basins are located in the roadway to drain the storm /rainwater run-off into the existing New York City Sewer System.

e. Street lighting:
Street lighting is provided by the City of New York. There is no streetlight pole in front of the property.

f. These items are in conformity with local district, town or municipal building codes.

g. Sidewalk providing access to the building shall be new, free of tripping hazard and ponding, and the condominium shall be responsible for maintaining the sidewalk per the requirements of DOT.

h. The Americans with Disabilities Act (ADA) requirement for sidewalk and Ramps does not apply to this building for access to the building entrances because the entrances are designed at the same elevation as the sidewalk.

5. The condominium will not need to obtain right-of-egress from an adjacent neighbor.

(d) <u>Utilities</u>

1. Natural gas service will be provided by Con Edison. Natural gas service will share a common gas meter for the building for all residential units for cooking purposes and domestic hot water.

2. Water will be supplied by the City of New York Water Distribution System and is provided to the condominium owners as a whole. The building has one water meter for the entire building.

3. Electric service will be provided by Consolidated Edison Company of New York and will be individually metered to each residential unit.

4. Telephone service will be provided on an individual basis to each unit by Verizon or other third-party vendor. Each unit will be billed directly by the service provider, and each unit owner will be responsible for the costs thereof. Units will be pre-wired with telephone jacks.

(e) <u>Sub-Soil</u>

1. Soil boring tests were performed by DK Drilling of N.Y. in September 2017.

2. The report shows no evidence of moisture or seepage or ground water infiltration, land subsidence, expansive soils, hazardous materials, and/or environmental restrictions present on the property.

3. This Property is not in a flood zone as per the FEMA map No. 3604970203F revised 9/5/2007, creating no danger from flooding, either due to water table in the area or an overflow from other bodies of water. There are no signs of potential mudslides or erosion observed.

4. The exterior finished grades shall be sloped away from the building providing positive drainage without ponding.

5. There is a little E designation for noise, requiring the installation of specific window/wall attenuation and alternate means of ventilation. OER has approved the proposed installation of windows achieving 31-35 dBA and Alternate Means of Ventilation using Trickle Vents, Central System, and providing outside air to commercial spaces and common areas. There is no little E designation for hazardous materials.

(f) <u>Landscaping and Enclosures</u>

1. Grass cover:
   There will be no grass cover on the premises.

2. Plantings:
   There will be planting areas on the ground level in front of the property along Delancey Street, cellar level rear yard and 2nd floor terrace outside the indoor recreation room. Plantings will be of evergreen type.

3. Trees:
   There are no existing trees located on the sidewalk in front of the property. Five (5) new street trees will be planted under the NYC Department of Parks and Recreation (DPR) Tree Fund program to satisfy NYC Department of Buildings and DPR requirements. Locations of the new trees will be determined by DPR.

4. Fencing:
   There will be no fencing at the perimeter of the premises.

5. Gates:
   There will be a garage gate with motorized opener to provide access to parking space owners. The gate manufacturer is City-Gates or equal and the gate shall be galvanized steel or equal with operator control.

6. Garden walls:
   There will be no garden walls at the premises.

7. Retaining walls:
   There will be a 12" thick reinforced concrete retaining wall finished with stucco along two sides at the perimeter of the rear yard between adjacent properties at the higher of 8'-0" above grade.

8. Display pools and fountains:
   There will be no display pools and fountains at the premises.

(g) <u>Building Size</u>

1. Total height:
   The approximate total feet from ground level to roof is 120'-0" in height.

2. Crawl spaces:
   There is no crawl space at the premises.

3. Number of sub-cellars and cellars:
   There is one cellar in the building.

4. Number of floors:
   In addition to the cellar, there are 12 floors at the premises.

5. Equipment rooms:
   The elevator machine room is located at the roof above the elevator. Mechanical equipment and electric rooms will be located at the cellar and roof levels. Utility rooms including gas meter room, sprinkler room, electric room, and detention tank and fire pump rooms at the cellar level.

6. Parapets:
   Main roof shall have a parapet wall a minimum of 3'-6" above the roof.

(h) <u>Structural System</u>

There is no underpinning performed.

The typical floor assembly shall be cast-in-place concrete, sound control adhesive, engineered wood floor. Ceiling resilient channels are installed at drop ceiling locations such as bathroom, kitchen and corridor.

1. Exterior of building:

   Local Law 11/1998 façade inspection for exterior walls and appurtenances is applicable to the subject building as the exterior wall of the building is more than six (6) stories. The Condominium Board shall be responsible for hiring a licensed professional to inspect the façade at least once every five years following the erection or installation of

exterior walls and/or enclosures. These periodic inspections and filings shall by the responsibility of the Condominium Board and the cost thereof shall be a common expense to unit owners.

a. Walls and Structural System:

Street facing exterior walls are designed to be 2-hour fire rated, consisting of exterior brick with continuous 2" rigid insulation R-10ci, water resistant barrier, 6" stud wall, exterior sheathing, 6" batt insulation R-19 and type "x" gypsum board. Stair bulkhead walls are to be metal stud walls covered by brick veneer.

The contractor will be responsible for providing insulation compliant with specified 'R' values. The 'R' value of all insulation is in compliance with the New York State Energy Conservation Code.

The full wall section shall consist of a combination of brick veneer and metal copper panel as follows:

- Exterior wall finish is brick for typical floors facing the streets and rear yard
- Copper cladding at 1st and 2nd floor façade facing the streets
- EIFS on façade facing adjacent building on Pitt Street side.

Exterior walls are to be 2-hour fire rated.

Metal panel cladding will have caulking at joints to prevent water penetration.

All interior demising walls between units as well as partitions separating units from core elements such as elevator, stairs, and mechanical spaces shall have a 2-hour fire rating. The walls, partitions, and floor-ceiling constructions separating dwelling units from each other or from public halls, corridors, or staircase designed to have a minimum STC as per code. The floor impact noise is designed to have a minimum impact insulation class (IIC) rating no less than 50 in compliance with the 2014 BC 1207.3.

The building's structural system is cast-in-place, reinforced concrete columns and floor slabs. The buildings' foundations, including column footings, will be cast-in-place, reinforced concrete. The buildings' floor slabs and roof slabs will be cast-in-place, reinforced concrete. The building shall be constructed with non-combustible materials and will allow for a minimum of 2-hour fire rating for all structural elements, pursuant to NYC Building Code.

No sub-grade drainage system is provided for the foundation of the building. Moisture protection system of foundation will be provided by waterproofing membrane installed on exterior side of foundation.

Foundation shall be reinforced poured in place 6000PSI controlled concrete; footing shall be formed on soil classification of 3B with a presumed bearing value of 2 tons per sq.ft. Piers and walls shall be 6000PSI controlled concrete.

Foundation is continuous through retaining and areaway walls at rear of property. Outer perimeter walls below grade receive rigid insulation, and interior studs and sheetrock.

Superstructure concrete shall be 6000 PSI controlled concrete. Controlled concrete shall comply with all ACI specifications as per ACI 318-83 standards. Studs and joists shall be formed from steel conforming to ASTM A653 HSLAS Type A, and as specified by Engineer of Record. All floor slabs shall be poured monolithically. The slab on grade shall have a thickness of 6" for the cellar level.

b. Windows:

Type of windows to be provided: Awning aluminum framed double-glazed acoustic windows with thermal breaks in the frame to maintain temperature differences between interior and exterior. Windows are to be manufactured by US WeatherSeal Windows & Doors Windows (or equivalent).

The windows shall be installed and caulked per the manufacturer's specifications.

Manufacturer shall provide a warranty for one (1) year, from date of purchase, limited to glass and one (1) year for product and components other than glass.

No windowsill to be provided for windows. There will be no window guards (to be provided by future building management as required). There are no window screens provided.

Type of caulking for window frame is silicone based for exterior use.

There is one lot line window in the living room of Unit PH2 on the 12th Floor.

The lot line windows shall cover a maximum of 10% exterior wall openings and be protected by sprinkler heads. Lot line windows shall not be credited towards meeting the mandatory light and ventilation requirements. Future development of the adjacent lot may block these windows. In the event the lot line windows are sealed, the affected rooms will still be code compliant with light and air requirements. Affected unit owners may be required to seal these windows at their own cost. On average, the cost of sealing the windows is approximately $2,000 - $5,000 per window, depending on window size.

Storefront manufacturer is US WeatherSeal Windows & Doors (or equivalent) for swing-out doors of aluminum frame with glazing. Manufacturer shall provide a

warranty for one (1) year from date of purchase, limited to glass and one (1) year for product and components other than glass.

Where applicable, windows have trickle vents in compliance with OER requirements for window/wall attenuation. Windows shall meet the requirement as DOB approved OITC rating of 33 to 37 per location with glazing assembly recommended by acoustic consultant.

2. Parapets and copings:

Main roof:
Street face parapet wall, side walls and rear wall shall extend 42" past the finished roof deck. Parapet shall be 8" concrete masonry cored block and shall be constructed of masonry at the interior face and EIFS rendered surface over 3" R-15ci semi-rigid insulation at the exterior face. Coping to be aluminum.

Bulkhead roof:
Parapet shall be 8" concrete masonry cored block and shall be constructed EIFS rendered surface over 3" R-15ci semi-rigid insulation at the exterior face and stucco at the interior face. Coping to be aluminum.

3. Chimneys and vents:

The vents extend in height above adjacent structure, at a height compliant with the NYC Building Code with regards to galvanized vents above roofs. See Section (n) Ventilation in this report for detailed ventilation information. There shall be six (6) 3" CPVC hot water heater vent pipes located on the main roof.

4. Balconies and terraces:

a. Balconies/Deck finish
Balconies are formed with cantilevered cast-in-place, reinforced concrete construction. Balconies will have concrete finish decks.

Terraces to be modified bituminous roofing or equivalent on concrete deck with concrete pavers installed on pedestals or equivalent compliant walking surface. Concrete paver or equivalent material will be professionally installed in accordance to manufacturer's requirements and installation, so as not to impede drainage nor void the waterproofing warranty.

b. Balustrade
See c. Railing.

c. Railing

Terrace railings shall be brick exterior finish and EIFS interior finish at 24” height and 18” high glass guardrail with a total of 42" height. Terraces shall be divided with 4’-6”-high steel framed fence with metal panels.

Balcony railings shall be brick exterior finish and EIFS interior finish at 24” height and 18” high glass guardrail with a total of 42" height.

d. Copings
Aluminum copings are provided at terraces.

e. Soffits shall be finished with metal cladding.

f. Door to balcony and terrace to be aluminum frame glass sliding doors manufactured by US WeatherSeal Windows & Doors (or equivalent). The doors have 1 year manufacturer limited warranty from date of purchase. There is no warranty from the installer. Doors contain thermal break provided by rubber gasket to separate the outer and inner frame component.

g. Drains

There will be drains on the balconies. Cast iron 4” drains are manufactured by Josam Model 30000-C.

Roof terrace and rooftop drainage will be provided by the roof drains.

5. Exterior entrance:

a. Exterior and Vestibule doors and frames:
Doors to be self-closing type with natural hinges. Door strike to be electrical or magnetic release. Lever type knob lockset is keyed on the exterior of the building and passive from the interior. Doors to be ½” clear tempered glass with an aluminum frame with thermal break provided by rubber gasket to separate the exterior and interior frame component.

b. Mailboxes shall be U.S. Postal Service approved type. Mailboxes are to be brushed aluminum, manufactured by Auth-Florence (or equivalent), and to be located at residential lobby at the first floor level.

c. Lighting in the lobby to be manufactured by “Halo” or “Progressive” or equivalent.

6. Service Entrance – There are no service entrances in the building.

7. Roof and Roof Structures

a. Roof system manufacturer is Carlisle and the roof membrane product name is Sure-Weld TPO (or equivalent). It will consist of a concrete slab, cold fluid applied PMMA waterproofing on modified bitumen membrane roof membrane, ½" drainage mat, 6" rigid insulation, filter fabric, and will have a finished surface of a pedestal and concrete paver system approved by roof manufacturer and installer.

i. Structure: The main roof will be constructed using cast-in-place concrete slabs.

ii. Waterproofing. A multi-layer, rubber membrane waterproofing system or equivalent shall be installed on all roof areas of the building.

iii. Rigid insulation will be installed on the roof that is a minimum of 6" thick.

iv. Warranty. The roof will have a 10 year warranty for materials and 1 year warranty on labor from date of installation.

v. Roof Finish. Main roof, common terrace and LCE terraces shall be finished with pre-cast concrete pavers or equivalent. Mechanical areas of the roof will be rubber paver or equivalent.

vi. Pavers will be supported on pedestals. Concrete pavers or equivalent material will be professionally installed in accordance to manufacture's requirements and installation, so as not to impede drainage nor void the waterproofing warranty.

vii. Flashing. Counter flashing will be installed using stainless steel, aluminum, or reinforced fabric.

viii. There is a common recreation area and private LCE private areas on the main roof. The common recreation area and maximum number of occupants will be reflected on the final C/O and as-built DOB plans. This office has prepared a PW1A to reflect the existence of the common roof area and maximum number of occupants thereon (i.e., 5 persons), and in order to be consistent with the roof Floor Plan in Part II. This office estimates that the PW1A will be approved by the DOB by approximately the end of February 2021. The maximum number of occupants allowed by code at the roof terraces is five for the common roof terrace; one for the limited common element terraces belonging to 2A, 2D, 3D, 3J, 7A, 7B, six for 7F; three for PH1 and two for PH5.Private LCE roof areas will be separated by fencing with steel frame and metal panel or exterior grade wood panel with 60% open, maximum 4'-6" in height, in compliance with zoning requirements for floor area exclusions. The roof deck as well as the roof terraces assigned as limited common element will have a concrete paver finish (or equivalent). The finished roof surface is designed and rated for daily foot traffic and use as a terrace, and the

installation of the designed roof pavers system is to be in compliance with the roof manufacturer's requirements to retain the warranty.

ix. There will be no rooftop antennae, cell phone towers, satellite dishes, or lightning protection equipment on the roof.

b. Drains

i. Total of (8) 4"roof on the main roof, which included (4) emergency secondary roof drain and manufactured by Grenell Inc (or equivalent). Total of (4) 4"roof on the 6th floor roof, which included (2) emergency secondary roof drain and manufactured by Grenell Inc (or equivalent). Total of (2) 4"roof on the 2nd floor roof, which included (1) emergency secondary roof drain and manufactured by Grenell Inc (or equivalent). Total of (11) 4"roof on the 1st floor roof, which included (5) emergency secondary roof drain and manufactured by Grenell Inc (or equivalent). Material is cast iron.

ii. There are gutters and leaders at stair bulkhead roof, material is aluminum

c. There shall be no skylights on the roof.

d. Bulkhead walls:

i. Stair bulkheads will be constructed brick over concrete walls.
ii. Elevator machine room bulkhead shall be constructed of 8" CMU block with EIFS expansion joint and screened by corrugated metal vertical panel on 8" x 8" steel posts.

e. Metal work at roof levels: Metal work at the roof level consists of exhaust, air, and plumbing vents. All metal work is weather protected and flashed at each roof penetration.

i. Exterior, metal stairs: None
ii. Vertical ladders, including gooseneck: steel-primed stair from roof to elevator machine room.
iii. Railings: None
iv. Hatches to roof: none.
v. Terraces shall be divided with max 4'-6" high steel framed fence with metal panels.

f. Rooftop facilities:

The elevator mechanical room and mechanical areas for the residential units are located on the roof. Rooftop mounted mechanical equipment will be mounted on steel dunnage. Elevator machine room bulkhead will be screened by a corrugated

metal vertical panel on 8" x 8" steel posts. Other mechanical will be separated by 8'-0" high steel or wood fence.

8. Fire Escape – There are no exterior fire escapes proposed.

9. Yards and Courts

There are two private yards at the cellar level with one appurtenant to Unit #1B and one appurtenant to Unit #1D. There is an outdoor recreation courtyard for common use at the cellar level which is accessible by the interior stairwell connecting the 1st floor and cellar and through the indoor recreation area at the cellar. There is an inner court on the 2nd Floor that will not be for public access. Common and LCE yard decking will be finished with pre-cast concrete or equivalent material, installed in accordance with manufacturer's requirements so as not to impede drainage nor void the waterproofing warranty. There will be evergreen trees and plantings in the common courtyard. Plantings for the LCE rear yard is at the discretion of the respective unit owners.

Private LCE yards will be separated by 3'-8" high CMU walls and fencing with steel frame and metal panel or exterior grade wood panel with 60% open, maximum 4'-6" in height.

There are (5) area drains in the private yards. Material is cast iron.

10. Interior Stairs

There are interior stairs connecting the 1st floor to the outdoor recreation area at the cellar level and a separate common stairwell leading from the 1st floor to the roof.

a. Stairs are enclosed by two-hour fire-rated gypsum board enclosure. The lighting inside of the enclosure to be typical LED type of lighting with 60 watts per fixture. Stairs connecting the 1st floor lobby to the cellar is not enclosed. Guardrail is glass with steel posts and rail. This configuration is in compliance with code requirements.

b. Stairs are constructed of steel pan stairs filled with concrete.

c. Stairs shall have rolled channel steel stringers.

d. Stairs shall have concrete filled steel pan treads.

e. Stairs shall have steel risers integral with pans.

f. Stairs railings shall be steel.

g. Balustrades: None for enclosed stairways._

h. Unit interior stairs for Units 1B (straight-run, no winders), 1D (u-shape, no winders), PH1 (winders), and PH5 (winders) will be constructed with wood and will have closed oak risers and oak treads and have painted steel railings. Winder treads are permitted within dwelling units as per NYC BC 1009.4.3. PH5 winder stairs connecting the Penthouse Floor with the Main Roof is for use by Unit PH5 owner and its occupants. The geometry of the winder treads does not comply with egress stair requirements from the 2008 New York City building code; however, this stair is not be used for egress purposes. Primary egress stairs A and B connect these two floors and are used for egress purposes. Purchasers should note that because the winder treads converge to a point, occupants of Unit PH5 should take caution of this potential stumbling hazard.

11. Interior Doors and Frames

a. Unit entrance doors shall be fireproof and self-closing hollow metal doors with hollow metal frames with 1½ hour fire rated according to NYC Building code.

Each unit door shall have a Unit number, interview peephole, chime, security chain, deadbolt and lever lock.

Interior closet, bathroom, and bedroom doors are to be wood with wood frames.

b. Corridor doors, Mechanical Room doors shall be fireproof and self-closing hollow metal doors with hollow metal frames with 1½-hour-fire-rated according to NYC Building code.

Refuse Room doors knob lockset shall be passive from both sides. Mechanical Room doors shall be keyed from outside and passive from inside. Corridor doors shall be passive from both sides.

c. Stair hall doors shall be fireproof and self-closing hollow metal doors with hollow metal frames with 1½-hour fire rated according to NYC Building code. Stair hall doors shall have a wired glass vision panel and door closer and panic hardware.

d. Public bulkhead doors shall be fireproof hollow metal doors with hollow metal frames with 1½-hour fire rated according to NYC Building code. Knob lockset shall be passive from both sides.

12. Elevators / Handicap Lift

a. There will be two passenger elevators in the building. There are no service elevators provided. DC and/or AC motor manufacturer to be determined.

b. The capacity of each passenger elevator shall be 3,500 Pounds. Based on 180lbs. per person average, the capacity of the elevator is 19 passengers.

Manufacturer:	Hollister Whitney (or equivalent)
Capacity:	3,500 lbs
Speed:	200 fpm

c. Type of operation for each elevator to be overhead traction with machine room above the elevator. Cellar shall have fireman service access key and floor indicator.

d. Elevators shall be fully automatic with IP8300 type landing control system and Fireman Service override.

e. Elevators shall serve from the cellar through roof.

f. Elevator doors shall be automatic sliding doors.

13. Elevator Cabs

a. The elevator cabs shall be manufactured by Hollister Whitney (or equivalent). They shall be stainless steel with wood panels. The grab bar will be 30 inches above the finish floor. The floors will consist of ceramic tiles.

b. The ceiling shall be a drop ceiling made of #4 stainless steel. Ceiling shall contain an access panel and light fixtures.

c. LED lighting shall be installed on the ceiling and vandal resistant.

d. The alarm/safety system will be standard for the proposed elevator type; it consists of 2 buttons in elevator:

i. An alarm button rings bell in shaft. This bell shall be connected to power supply with battery backup.
ii. A phone button connects hands free phone pre-programmed to dial whichever 24hr service the customer prefers.

(i) <u>Auxiliary facilities</u>:

1. Refuse Disposal

a. A refuse disposal chute for the residential units will be located in a common area on each floor from the cellar through 12th floor.

b. There will be a trash compactor room on cellar floor, manufactured by Chutes Enterprises, Model: CE-150 and can service up to 150 apartments. It has a Maximum Capacity of 11 cubic yards per hour, Cycle time: 27 seconds, and Compaction ratio: 4:1.

c. Refuse storage facility for residential units will be provided in the Cellar. Building Management Company will be responsible for the refuse removal and placement on the street for city sanitation truck pickup.

2. Storage: Storage rooms will be provided in the cellar containing 50 storage lockers for purchase by residential unit owners and three storage rooms for building management use. Each storage locker will be separated by steel frame cage and 81% open wire mesh and provided with one door lockable by the owner. Each cage shall be minimum 6' high above finished floor.

3. Bicycle Storage: There will be a bicycle storage room with racks to accommodate 43 bicycles on the 1st Floor accessible from a dedicated entrance on Delancey Street. Bicycle rack shall be powder coated steel, floor mounted. User shall be responsible for security of his/her belongings at his/her own risk. The bicycle storage room will be a General Common Element with racks available on a first-come first-served basis.

4. Laundry Rooms: Laundry closets are to be located in each residential unit, equipped with washer and electric ventless dryer. Washer is GE GFW148SSMWW and dryer is GE GFD14ESSNWW. A common laundry room containing two (2) smart card operated, ADA accessible front loaded electric washers and three (3) gas dryers will be provided in the Cellar. Mechanical ventilation will be provided for the laundry room.

5. Mail/Package: The lobby will be equipped with mail/package room with shelving to store delivered parcel packages. The package room has key fob system for access and security.

6. A pet washroom will be provided in the cellar.

(j) <u>Plumbing and Drainage</u>

1. Water supply

a. Water supply for the building will be obtained from the City of New York 20" water service main located on Delancey Street with 4" domestic water service incoming. Copper piping will be used throughout for domestic cold and hot water supply and will be insulated with Neoprene 3/8" foam insulation.

The water service will be metered and have a main shut-off valve and backflow prevention system in the cellar water meter room.

There are no on-site storage tanks or storage systems for the water supply.

There is one storm water detention tank in the cellar.

The water pressure for domestic water servicing the condominium is provided by street pressure from the New York City Sewer located on Delancey Street. In addition, a supplemental booster pump shall be installed in the cellar. Booster pump will have a 1-year warranty.

b. Hot Water Supply – Domestic hot water supply for residential units will be provided by gas-fired hot water heaters located in roof mechanical room.

Manufacturer: AO Smith
Model: BTH-250
Capacity: 100 Gallon

c. The cost of the hot water supplied to Residential units for heating is billed as part of Residential common charge.

2. Fire protection system:

Sprinkler System

The building will be provided with fire sprinkler and standpipe systems in the subject premises as required by and pursuant to the NYC Building Code. The residential units, all interior public spaces and corridors will be protected by the sprinkler system pursuant to NYC code. Sprinkler water supply for the building will be obtained from the City of New York via (1) one 6" fire service main located on Delancey Street and floor control valves are located in the staircase on each floor.

Sprinkler Equipment and Piping

a. Fire projection system consists of (1) Fire Pump, 1000GPM, 277 Feet TDH, 125HP, Manufacturer: AC Fire Pump, Model : H8x6x9F, (1) Jockey Pump, 10 GPM, 297 Feet TDH, 2 HP, Manufacturer: AC Fire Pump, Model: 3SV
b. A wet-pipe service will be provided for the sprinkler, which will supply a single riser located in each of the fire stairs. The standpipe systems will rise in each fire stair with a 2-1/2"fire hose valve at each main floor landing.
c. A fire pump will be provided, equipped with a jockey pump controller and NYC approved fire pump controller, and will be located in the cellar level fire pump room. Both fire pump and jockey pump will require periodic maintenance. Jockey and main fire pump will have a 1 year warranty.
d. 2-1/2"fire hose valve will be provided on the wall of each stairway landing at each floor.
e. Sprinkler heads are to be located be throughout the building pursuant to NYC Building Codes. All units and corridors will be provided with a combination of pendant, sidewall, and extended sidewall sprinkler heads in required areas. The sprinkler heads are to be manufactured by "Reliable" model G4 (or equivalent).

The sprinkler heads shall be the normal temperature range from 135°F to 175°F. Intermediate high temperature range from 175 °F to 200 °F for mechanical room, dryer room. Sprinklers are to be omitted in bathrooms 55sq.ft and closets less than 12 sq.ft.

Location	Head type	Remarks
Parking	Upright	Dry system
Outdoor	Upright	Dry System
Utility rooms	Upright	Wet system
Corridors	Concealed	Wet system
Lobby	Concealed	Wet system
Recreation spaces	Concealed	Wet system
Living Room	Concealed sidewall	Wet system
Kitchen	Concealed	Wet system
Bedroom	Concealed sidewall	Wet system
Washer closet	Concealed	Wet system
Bathroom	Concealed	Wet, various location per notes above
Walk-in closet	Concealed	Wet, various location per notes above
Refuse storage room	Concealed	Wet system

f. The sprinkler and standpipe system will have a combined Siamese connection for the Fire Department, located in front of the building on Delancey Street. Siamese connection will requirement periodic maintenance.
g. Sprinkler protection will be provided in rubbish chutes and trash rooms pursuant to NYC Building Code.
h. The parking area shall be provided with a dry sprinkler system with required coverage pursuant to NYC Building Code
i. The building will be fully sprinklered with sprinkler valve assembly, supplying the sprinkler system from fire standpipe risers on alternate floors.

3. There are no water storage tank(s) and enclosures.

4. The street water pressure hydrant flow test was performed by NYC Department of Environmental Protection on April 5, 2018 The static pressure taken on an 20 inch water main which is fed from two directions on the north side of Delancey Street (westbound) 1st hydrant east of Ridge Street was 56 pounds per square inch. The residual pressure at this point was 55 pounds per square inch when 500 gallons of water per minute were flowing from the north side of Delancey Street (westbound) 1st hydrant east of Pitt street.

   Water pressure is maintained by Duplex domestic water booster pump, with 100GPM, 116 Feet TDH, with 10 HP each pump to provide minimum 25 PSI at the most remote point, manufactured by Federal Pump.

5. Sanitary sewage system
   Fixtures above grade will drain by gravity to a sanitary house trap in the cellar connected to NYC Sewer Main located on Delancey Street. Fixtures below grade will be drained by gravity into ejector pumps that pump to house sewer connection. Roof drains will be connected to leaders and drain by gravity to house storm trap located in the cellar.

   a. Sewage piping material to be cast iron.
   b. Duplex Ejector pumps servicing toilets in the cellar will connect to the house sewer lines.
   c. The sewage system shall carry both waste and sanitary sewage from each unit. Sewage shall be carried by gravity to local city sewers.
   d. The cost of water and sewage will be allocated based on water meter usage.
   e. Vent piping from fixture drains, equipment, and stacks will extend to points of termination above the main roof.
   f. Sanitary sewage system includes Duplex ejector and Duplex sump pump located in the cellar are manufactured by Federal Pump and will have a one-year warranty. Duplex ejector pump is 100GPM, 27 Feet TDH, 1.5 HP, each pump. Duplex sump pump is 75GPM, 28Feet TDH, 1 HP, each pump.

6. Permits and Inspections
   Permits will be issued before plumbing and drainage work commences.

7. Storm drainage system

   The roof storm drainage system shall be adequate for size of roof. Water shall be disposed of by drains located in all paved areas to the NYC storm sewer or drywells.

   a. Catch basins:
      The sidewalk slopes away from the building providing positive drainage without ponding. Under current approved plans, this site will be graded to conduct storm water away from the building. Catch basins are located in the roadway to drain the storm water run-off into the existing New York City Sewer System.
   b. Regular roof drains with secondary emergency roof drains to be connected to sewer, the flow out through the 8” EHCI combined sewer into the existing 54”x36” combined sewer in the street bed of Delancey Street.
   c. Piping materials to be cast iron.
   d. There will be (1) storm pump. Duplex sump pump is 75GPM, 28Feet TDH, 1 HP, each pump and will have a one-year warranty.
   e. There is one storm water detention tank in cellar.

f. There is no drywell proposed on the premises.

Specification of drains (or equivalent)

Location	Type	# drains	Manuf	Material	Model#
Parking	Trench	1	MIFAB	14 ga. steel	T275
Courtyard	Area Drain	5	Josam	Cast Iron	32100-81
Terraces	Roof Drain	1 pair	JR Smith	Cast Iron	1010-83 & 1070
7 Fl Terraces	Roof Drain	6 pair	JR Smith	Cast Iron	1010-83 & 1070
Balconies	Area Drain	26	Josam	Cast Iron	30000-C
Roof	Roof Drain	7 pair	JR Smith	Cast Iron	1010-83 & 1070

(k) Heating

1. Cellar utilities room (water, electrical, etc.), and small service closet are heated by electric duct heater which attach to a fresh air fan located on the first floor in parking space. The residential corridor and lounge are heated by electrical split air conditioning and heating unit, manufactured by LG. The heating and cooling condenser units will be located on the roof. The heating system is capable of maintaining legally required temperature under anticipated weather condition by the code of the City of New York.

2. Heating and cooling of the dwelling unit will be provided by air conditioning with heat pump units manufactured by LG. The heating and cooling condenser units (CU) are shared with dwelling units and will be located on the main roof. Each indoor air handling unit (AHU) for the residential spaces are concealed ducted units. Heating system is designed to provide adequate heating during expected anticipated weather condition in New York.

   a. Each Air Handling Unit (AHU) will be controlled by programmable thermostats mounted on the wall of each unit or space to control heating and cooling output.
   b. Each unit owner will be responsible for costs of maintenance and replacement of the unit's space heating equipment.
   c. The heating systems have been designed to provide comfortable conditions capable of maintaining an indoor temperature of 68°F at a point 3 feet above the finished floor in compliance with NYC Building Code Section 2014.
   d. Specifications for split air conditioning and heating unit for all residential units are as follows:
   e. Insulation for air distribution ducts will be minimum R-6 with fiberglass material. The thickness shall be equal to R-6 material.

Residential Indoor Air Handling Unit				
Brand	**Model #**	**Cooling Capacity (Btu/hr)**	**Heating Capacity (Btu/hr)**	**Warranty**
LG	ARNU483M3A4	48,100	54,200	10 Years
LG	ARNU363M3A4	36,200	40,600	10 Years
LG	ARNU243L3G4	24,000	27,300	10 Years
LG	ARNU183TQD4	19,100	21,500	10 Years
LG	ARNU123L2G4	12,300	13,600	10 Years
LG	ARNU093L1G4	9,600	10,900	10 Years
LG	ARNU073L1G4	7,500	8,500	10 Years
LG	ARNU053TRD4	5,500	6,100	10 Years
LG	ARNU183L2G4	19,100	21,500	10 Years

Residential Outdoor Condensing Unit						
Brand	**Model #**	**Cooling Capacity (Btu/hr)**	**Heating Capacity (Btu/hr)**	**EER**	**COP**	**Warranty**
LG	ARUM096BTE5	96,000	108,000	13.5	3.66	10 Years
LG	ARUM168BTE5	168,000	189,000	11.1	3.20	10 Years

There is no boiler, cooling tower, radiator, oil tank proposed on the premises.
Central hot water will be provided by (4) hot water heaters manufactured by A.O. Smith.

Four (4) hot water heaters are located in a hot water heater room on the roof. Dedicated hot water return is provided as per energy code requirement. The hot water system is designed to provide peak hour usage.

Specifications for Hot Water Heater for all residential units are as follows:

Brand: A.O. Smith
Model: BTH-250
Capacity: 100 Gallons
Fuel Type: Natural Gas
Efficiency: 96%
Warranty: 6 Years

(l) Gas Supply

1. Natural gas to be supplied to each unit and connected to burners via shut-off valves. The size of the gas main is to be 4". Natural gas to be metered through common shared meters in the building, shared by all condominium units. The gas meters to be located in the cellar.
2. Gas piping to be made of steel piping.

(m) Air Conditioning

1. The cooling system has been engineered to provide adequate air conditioning capable of maintaining indoor room temperature of 78°F at 50% relative humidity while the outdoor temperature is 89°F as required by NYC Building Code Section 2014. Vibration insulators are installed for each outdoor HVAC equipment, including condensers and fans. All refrigerant piping is provided with 1.5" insulation all around.
2. Please see section K for the outdoor condensing units and indoor air handling units for residential units.
4. Each AHU will be controlled by programmable thermostats mounted on the wall of each unit or space to control heating and cooling output.
5. Each CU and AHU will come with a 5-year manufacturer's warranty.
6. Each Unit Owner will be responsible for costs of maintenance and replacement of it's own unit's AHU.

(n) Ventilation

Ventilation is achieved by operable windows and is provided for all habitable rooms. Each bathroom has a dedicated exhaust system venting 50 CFM which is connected to a main duct leading to the roof. Ventilation for each kitchen is through individual exhaust vent hood connected to main duct through the roof. Ventilation for each public corridor is through a ceiling register ducted to ventilator on the roof. Ventilation for the utility rooms are through a ceiling register ducted to a fan on the roof. Cellar corridors and utility rooms deliver fresh outside air through the sidewall louver on the first floor. The fan dedicated to the parking lot is interlock with an outside air intake fan with post-smoke purge. Where

applicable, windows have trickle vents in compliance with OER requirements for window/wall attenuation.

The ERV unit on the main roof provide 100 CFM ventilation to each apartment.

Mechanical Ventilation is to be provided throughout the building using equipment specified in this schedule (or equivalent):

Mechanical Ventilation Fans			
Service	**Manufacturer**	**Model #**	**Air Quality (CFM)**
Common Dryer	Greenheck	USF-15	2500
General – 2nd Fl	Greenheck	G-103HP-VG	625
Pet Wash Room	Greenheck	G-098-VG	500
Garage	Greenheck	G-133-VG	2000
Kitchens	Greenheck	USF-08	850
Kitchens	Greenheck	USF-08	1000
Kitchens	Greenheck	G-103HP-VG	900
Kitchens	Greenheck	G-103HP-VG	650
Kitchens	Greenheck	USF-08	850
Refuse	Greenheck	USF-08	900
Toilet	Greenheck	SP-A70	50
Outside Air Intake	Greenheck	SQ-99-VG	950
Outside Air Intake	Greenheck	SQ-140-VG	2500
Outside Air Intake	Greenheck	SQ-160-VG	2000
Outside Air Intake	Greenheck	SQ-98-VG	350
Outside Air Intake	Greenheck	SQ-97-VG	250
ERV(Toilet Exh & FAI)	Greenheck	ERCH-90-30L-30P-MIG-01	9050

The electrical ventless dryer laundry closets have no exhaust system. The CFM capacity of the mechanical ventilation meets/exceeds the needed requirement based on Table 403.3 of NYC 2014 Mechanical Code. The noise emission rating for mechanical ventilation shall be 83.4 dBA for supply fan and 64.2 dBA for exhaust fan. The unit is on the bulkhead of the elevator machine room.

(o) Electrical System

1. Service from utility company: Incoming electric service will be provided by Con Edison and will enter the premises on Delancey Street via the cellar to electric meter room. Electrical service will be 120/208 volts, 3 phase, 4 wire system. The wiring material should be copper.

    a. Electrical Meter Room
        i. 600A, 120/208V, 3ph, 4wire system for residential meter bank #1 servicing twenty (28) dwelling units
        ii. 600A, 120/208V, 3ph, 4wire system for residential meter bank #2 servicing twenty-five (28) dwelling units
        iii. 600A, 120/208, 3ph, 4 wire system for residential meter bank #3 servicing twenty-five (29) dwelling units

iv. 3000A, 120/208V, 3ph, 4 wire system for common space use with dedicated meter.

2. Service to individual residential unit:

Studio and 1 Bedroom units will be supplied 70A, 120/208-volt, single phase 3-wire and 2- and 3-bedrooms units will be supplied 100-Amps, 120/208-volt, single phase 3-wire with dedicated meter from residential meter banks. All residential units will be individually metered, and each owner is responsible to pay for their own electricity usage. Each panel inside the unit will have separate fixtures and convenience outlets installed in accordance with the New York City Electrical Code. 70A and 100A electric supplied was based on load calculation as per 2011 NEC.

3. Compartment switch gear
   a. Electrical Room
      i. 600A for residential meter bank #1 servicing twenty (28) dwelling units
      ii. 600A for residential meter bank #2 servicing twenty-five (28) dwelling units
      iii. 600A for residential meter bank #3 servicing twenty-five (29) dwelling units
      iv. 3000A for common public space use with dedicated meter
      v. 2000A for fire pump switch

4. Unit service

Each apartment shall be supplied with approximately 20-30 circuit breakers. GFCI will be provided for all bathroom outlets. Each unit will have minimum 20 circuits and up to 30 circuits in one panel. Air conditioners, dishwashers, and electric dryer will have dedicated circuits.

5. Adequacy
   a. The electrical service provided shall be adequate for a full complement of modern appliances and lighting.

   b. Convenience outlets, appliance outlets
      i. There will be electrical receptacles throughout the condominium unit, pursuant to and in accordance with the NYC Electrical Code:
      Living Room: 7 (avg)
      Bedroom: 5 (avg)
      ii. Tamper-resistant receptacles shall be provided for children play areas.
      iii. Water-resistant receptacles shall be installed for exterior use.
      iv. Convenience outlets are provided a maximum of 12 feet apart as per NYC electrical code. Appliance outlets are provided as per furniture layout and circuit breaker size as per appliance name plate.

c. Lighting Fixtures

Kitchen, bath and unit corridors shall have recessed lighting. Living room and bedrooms shall be equipped with a junction box with switch for mounted light fixtures.

Outside fixtures shall be waterproof type. The lighting fixtures installed at the premises shall as follows:

Location	Type	Manufacture	Model#	Watt
Hallway	Ceiling recessed	Halo Lighting	E41CATSB4010WB	9 watt
Stairway	Flush mount	Progress	P3410	60 watt
Utility rooms	Flush mount	Progress	P3410	60 watt
Bathroom	Wall mount	Maxim	52002SN	16 watt

6. Telephone wiring will be provided to every residential unit. Each unit owner will be required to establish utility accounts and obligated to pay their associated telephone charges and initial activation charges.

7. Cable TV wiring will be provided to every residential unit. Each unit owner will be required to establish utility accounts and obligated to pay their associated cable charges and initial activation charges.

8. No emergency generator is provided.

(p) Intercommunication and/or door signal system, security closed circuit TV

1. Each unit shall be equipped with a color video intercom system connected to the intercom directory at entry to the building. System enables two-way communication between unit and intercom directory and remote control of main building door. Intercom system is to be ButterflyMX (or equivalent), wall mounted model with 2-year warranty.

(q) Public area lighting

1. Public corridors shall have wall and/or ceiling mounted LED type lights which are always on.

2. Stair shafts shall have LED type light at each floor landing.

3. All publicly lit spaces and all stair fixtures are connected to a battery backup system to serve in case of power failure.

4. All lighting, exterior lighting and night lighting in public parts of the buildings to comply with the New York State Multiple Dwelling Laws and New York City Housing and Maintenance Code.

Specification of lighting, or equivalent

Location	**Type**	**Manufacture**	**Model#**
Residential Lobby	Ceiling mount	Lithonia	FMFL 30840 SALT BZ
Pedestrian Walkway	Floor mount	WAC	WL-LED310-C-BN
Stairway	Wall mounted	Lithonia	T9FB442239
Corridor	Wall mounted	Lithonia	OSC 13F 120 PLPBL
Utility rooms	Wall mounted	Lithonia	OSC 13F 120 PLPBL
Terraces	Wall mounted	Kichler	9234
Garage	Ceiling mount	WareLight	HBLED90
Recreation room (Gym)	Ceiling recessed	Halo	H995ICT
Lounge	Ceiling recessed	Halo	H995ICT

(r) **Garages and Parking Area** – As per zoning regulations, there is an indoor parking garage for residential use at the 1st Floor containing four (4) parking spaces, including three (3) regular and one ADA (P#02). The area of the spaces is approximately 153 s.f. and 243 sf for the ADA accessible space. Parking is unattended. Regular parking spaces accommodate cars with a maximum width of 6' and length of 15' to facilitate maneuvering around the columns shown on the floor plans. Columns will be protected by steel corner guards or equivalent.

1. Garage drainage: There is a trench drain located at the entrance of the indoor garage. Also, there are several area drains equally spaced in order to provide adequate drainage inside the garage.

2. Garage ventilation: There is a general exhaust fan and a outside air intake fan that is recirculating the air within the indoor parking garage at 8800 CFM. The parking spaces are in compliance with the Zoning and Building Code as well as dimension compliance with ZR 25-62.

(s) **Swimming pool(s)** – There is no swimming pool.

(t) **Tennis courts, playgrounds and recreation facilities**

1. Tennis courts
   There are no tennis courts.

2. Playgrounds
   There are no playgrounds.

3. Other recreation facilities

   a. Outdoor courtyard at cellar for use by all unit owners will include tables, chairs, and sink. The 1360 sf recreation area has a max occupancy of 7 persons.

   b. Indoor recreation room (lounge) at the cellar level for common use will include tables, chairs and a sink. There is a powder room with one toilet and sink. The 1275 sf indoor recreation room has a maximum occupancy load of 25 persons.

   c. A pet wash room is located at the cellar level.

   d. There shall be an interior recreation area gym for common use by unit owners on the 2nd floor that will be equipped with stationary bicycles, treadmills, ellipticals, and weights. There is an ADA compliant bathroom with one toilet and sink. The area of the recreation room is 984 sf with a maximum occupancy of 20 persons.

   e. An outdoor court will be located adjacent to the 2nd floor recreation area. This area is not open for public use.

   f. There will be a fireplace and gas BBQ grill in the 1063 sf common area of the main roof for use by all residential owners (max occupancy of 5). Hookups for BBQ grills will be provided at the roof terraces belonging to Units PH1 and PH5.

(u) <u>Permits and Certificates</u>

The Certificate of Occupancy will be obtained upon sign off of all inspections. The Fire Department will issue a certificate for periodic inspection of Sprinkler System.

1. Required inspections will be conducted prior to the issuance of the certificate of occupancy by the NYC Department of Buildings and Department of Environmental Protection.

   Builder to retain the service of a Special Inspection Agency for controlled inspections, including but not limited to, borings, soil percolation tests, subgrade, drywell installation, concrete, concrete test cylinders, concrete design mix, masonry units, structural steel, sprinkler, mechanical ventilation and fire-stopping, all in accordance with the requirements of the New York City Building Code.

   a. Department of Buildings Inspections
      i. Construction
      ii. Plumbing
      iii. Electrical

iv. Sprinkler
v. Elevator
vi. Mechanical Equipment (e.g., HVAC).
vii. Sidewalk and roadway

b. Department of Environmental Protection Inspections
i. Sewer
ii. Reduced Pressure Zone (RPZ) – Backflow Prevention
iii. Water Main

2. Recurring inspections after completion of construction, as applicable: *

INSPECTION TYPE	REGULATION
Gas piping	Local Law 152
Sprinkler	NFPA 25
RPZ (Backflow Preventer)	NYC Plumbing Code
Elevator	NYC DOB
Fire alarm	FDNY
FISP (Façade Inspection Safety Program)	LL 11/98 / NYC DOB

*Note: This may not be an exhaustive list, as recurring required inspections may periodically change. It is the responsibility of the Condo Board and management to keep up to date on all applicable inspection requirements for this building.

(v) Violations

1. There one (1) ECB violation for failure to provide concrete technical report incurred by prior owner.

2. Any open violations as will be resolved prior to the issuance of a final Certificate of Occupancy.

(w) Unit Information

1. There are 85 residential units, 50 storage units and 4 parking spaces in the building. The height of rooms measured from the top of the floor finish to the underside of the ceiling finish will be approximately 8’-0”.

2. Unit floor area measurements of all residential units are performed by measuring horizontally from the exterior face of the exterior walls (columns, mechanical pipes, shafts, shaftway, chases, chaseways, and conduits are not deducted) to the centerline of partitions between units, and also to the exterior face of partitions separating units from corridors, stairs, elevators, or any other common elements. Parking space measurements are standard for regular and accessible spaces. Each Storage Locker will consist of the area measured horizontally from the exterior side of the locker (columns

are deducted from measurement of each locker) to the centerline of the partitions separating one locker from another locker or separating one locker from the corridor.

3. Unit Finishes
   a. The partitions within the units are constructed using 5/8" gypsum wall board (GWB) on metal studs. Partitions between residential units, mechanical rooms and egress passageways will be 2-hour Fire Rated wall assemblies. Dropped ceilings in select locations will be constructed with 5/8" GWB on furring channels or metal studs.
   b. All bathrooms and kitchens will be painted with at least 2 coats of washable semi-gloss latex finish coat paint on top of 1 coat of primer paint. All other areas will be painted with at least two coats of latex paint on top of 1 coat of primer paint. Kitchen countertop with Quartz stone or equivalent
   c. Residential floors will be finished with engineered wood tongue and groove floor planks. Wood species to be white oak with 3mm thickness with 1 year warranty for labor.
   d. Bathroom floors will be finished with ceramic, porcelain, stone tiles, or equivalent.
   e. Unit Finishes

Room	Floor	Walls/Ceiling	
Living Room	Engineered Wood Floor	Painted Drywall	
Bedroom	Engineered Wood Floor	Painted Drywall	
Kitchen	Engineered Wood Floor	Painted Drywall	
Bathroom	Porcelain Tile	Tiled Wall/Painted Drywall Ceiling	
Closets	Engineered Wood Floor	Painted Drywall	
Mechanical Rm	Porcelain Tile	Painted Drywall	

4. Bathroom Fixtures Schedule (or equivalent)

Item	Manufacturer	Model #	Notes
Toilet	Kohler	K-3609	Or equivalent
Sink	Kohler	K-20000	Or equivalent
Faucet	Glacier Bay	HD67771w	Or equivalent
Shower head	Glacier Bay	HD874X	Or equivalent
Handheld shower	Glacier Bay	HD58303	Or equivalent
Tub	Duravit	700095	Or equivalent
TP Holder/towel bar	Glacier Bay	Modern Series	Or equivalent

5. Kitchen Fixtures Schedule (2-Bed and 3-Bed Units) (or equivalent)

ITEM	MANUFACTURER	MODEL #	NOTES
Refigerator	GE	GEE21DSKSS	(or equivalent)
Gas Range	GE	JGAS02SENSS	(or equivalent)
Microwave/Hood	GE	JVX5300DJWW	(or equivalent)
Dishwasher	GE	GDT655SGJWW	(or equivalent)
Washer	GE	GFW148SSMWW	(or equivalent)
Dryer	GE	GFD14ESSNWW	(or equivalent)

Kitchen Fixtures Schedule (Studio Units and 1-Bed) (or equivalent)

ITEM	MANUFACTURER	MODEL #	NOTES
Refigerator	Summit	FFBF286SS	(or equivalent)
Gas Range	Summit	PRO24G	(or equivalent)
Microwave/Hood	Summit	OTRSS301	(or equivalent)
Dishwasher	Summit	DW243SS2	(or equivalent)
Washer	GE	GFW148SSMWW	(or equivalent)
Dryer	GE	GFD14ESSNWW	(or equivalent)

Kitchen cabinets to be wood veneered door panel and lacquer finish paint door panel, interior constructed of particle board, or equivalent.

The habitable rooms in Unit #1D in the cellar are living/dining area and kitchen and in Unit #1B are bedroom, living/dining room and kitchen. All shall be in compliance with code requirements for size, natural light and ventilation. The max 4’-6” high fence with 60% open and 3’-8” high painted CMU walls shall be installed to separate the LCE yards from the common rear yard and shall be at minimum 8’-6” away from the window, maintaining a clear adequate adjacent space for the cellar windows.

The Den in Units 3J, 4J, 5I and 6I are not habitable and are accessory use only. They shall not be used for living, sleeping or for cooking, as they do not meet code requirements for size and/or natural light and ventilation.

(x) Finish schedule of spaces other than units

Space	Floor	Walls	Ceiling
Electric Meter Room	Concrete	Painted Drywall	Painted Drywall
Gas Meter Room	Concrete	Painted Drywall	Painted Drywall
Water Meter/Spk Rm	Concrete	Painted Drywall	Painted Drywall
Mechanical Room (Hot Water Heater)	Concrete	Painted Drywall	Painted Drywall
Open Accessory Cellar	Tile	Painted Drywall	Painted Drywall
Residential Lobby	Tile	Painted Drywall	Painted Drywall
Elevator Machine Room	Concrete	Painted CMU	Painted Drywall
Stair Bulkhead	Concrete	Painted Drywall	Painted Drywall
Cellar Lounge	Eng. Wood	Painted Drywall	Painted Drywall
2nd Fl Rec/Gym	Rubber	Painted Drywall	Painted Drywall
2nd Fl Rec/Gym Bathrm	Ceramic Tile	Painted Drywall	Painted Drywall
Pet Wash Room	Ceramic Tile	Painted Drywall	Painted Drywall

(y) Safety and warning devices

1. A hard-wired and battery backup combination smoke and carbon monoxide (CO) detectors to be provided for each unit as per Local Law 62/81 and NYC Building Code. All detectors are to be manufactured by USI Electric Inc (or equivalent). Smoke/CO will be provided in compactor room and mechanical rooms.

2. Fire Alarm/Smoke Detection System

    a. An automatic smoke, heat, and sprinkler fire alarm system will be provided pursuant to NYC Building Code.
    b. Residential units will be furnished with multiple hard-wired, 120 volt combination Smoke/Carbon Monoxide (CO) detectors with battery backup pursuant to NYC Building code. These devices are not connected to the main building fire alarm system.
    c. Smoke and heat detector devices will also be installed in common area corridors, mechanical rooms, elevator lobbies and select locations pursuant to NYC Building Code, and these devices will be connected to the main building's fire alarm system.
    d. The fire alarm control panel will be connected to a central station. The control panel will monitor water flow and tamper switches, smoke and heat detectors, pull stations, fire pump relays, and CO gas detection.

e. Annunciators will be installed throughout public spaces pursuant to NYC Building Code.
f. Pull Stations will be provided in public spaces pursuant to NYC Building Code and design specifications provided by the fire alarm engineer for the building

(z) Additional information required:
Floor plans attached include:

1. Site plan with landscape features, street, and the outside dimensions of the building and designated common areas, including recreation and refuse disposal areas, and all privately owned access roads.

2. A floor plan for each floor and each condominium unit, indicating room dimensions, unit boundaries, common areas and limited common elements.

3. At the first unit closing, the sponsor shall, without any representation or warranty by, or recourse against, the sponsor, assign to the condominium board of managers any assignable manufacturers' warranties with respect to the sponsor-installed equipment in or serving the building. At the Closing of a Unit, the sponsor shall, without any representation or warranty by, or recourse against, the sponsor, assign to the purchaser any assignable manufacturers' warranties with respect to the equipment and appliances in the unit. Upon transfer of control of the board of managers from the sponsor to the unit owners, the sponsor shall also provide the board of managers with copies of any manuals in sponsor's possession for the operation and maintenance of the building's equipment and systems, as well as the building's "as-built" drawings as maintained during construction.

(aa) Further Development
Sponsor does not anticipate any further development beyond that described in the Plan.

(bb) Asbestos
This statement is to disclose that there will be no asbestos made products, partially or in whole, specified for the construction of this condominium as per approved plans.

(cc) Lead-based paint
This statement is to disclose that there will be no lead-based paint, partially or in whole, specified for the construction of this condominium as per approved plans.

We hereby affirm that the above description of property and specification are an unbiased professional opinion arrived at without inducement of any kind.

To the best of my knowledge, belief and professional judgment, these plans and specification are in compliance with the Energy Conservation Construction Code of New York State, using Chapter 5.

Prepared by:
S M Tam Architect PLLC

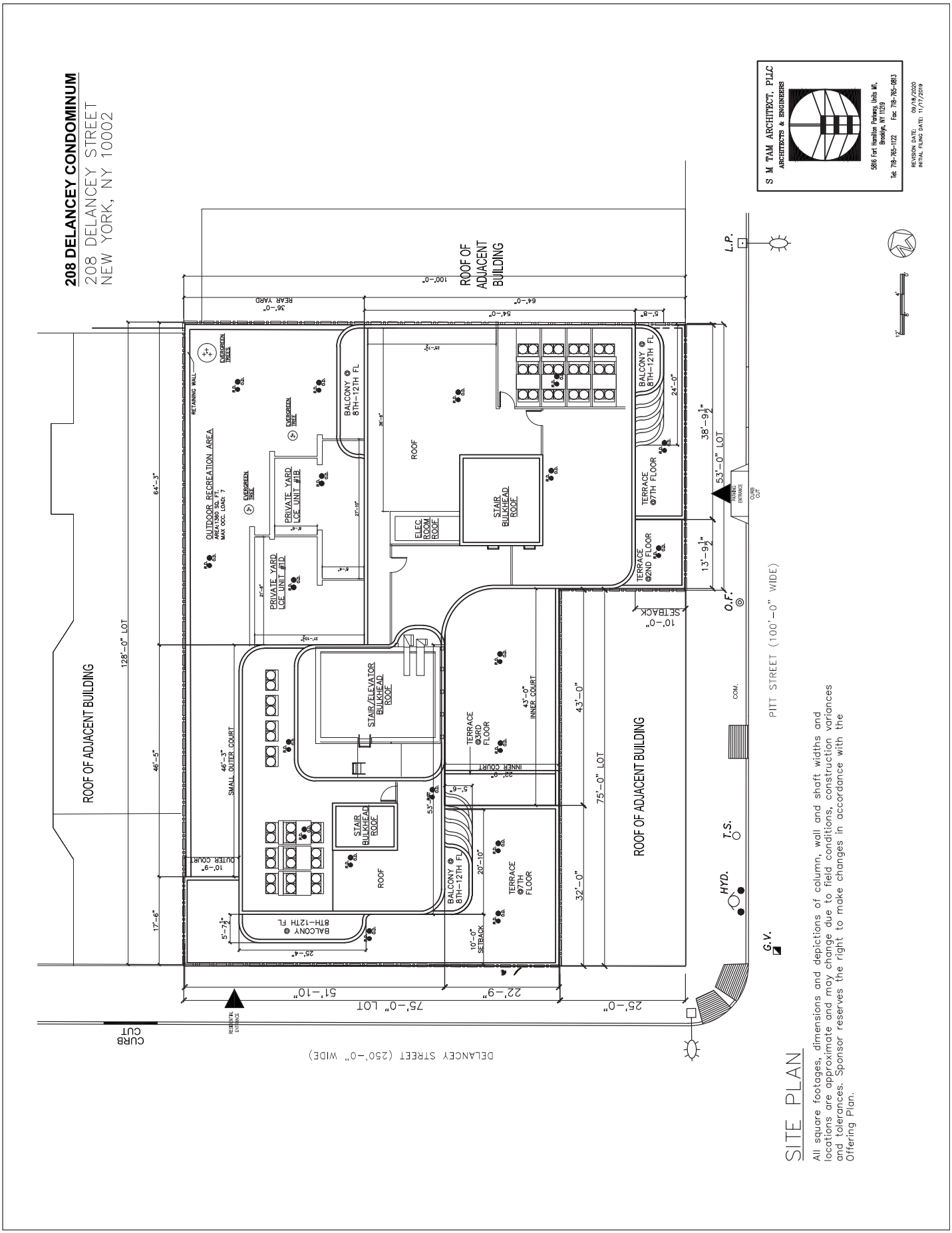


Shiming Tam, R.A.

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FLOOR PLANS

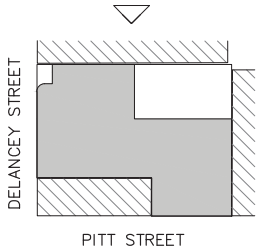
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208 DELANCEY CONDOMINUM
208 DELANCEY STREET
NEW YORK, NY 10002
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units 4H, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813
REVISION DATE: 09/16/2020
INITIAL FILING DATE: 11/17/2019
ROOF OF ADJACENT BUILDING
128'-0" LOT
46'-5"
64'-3"
17'-6"
REAR YARD
36'-0"
100'-0"
64'-0"
54'-0"
5'-8"
RETAINING WALL
EVERGREEN TREES
OUTDOOR RECREATION AREA
AREA=1380 SQ. FT.
MAX OCC. LOAD: 7
PRIVATE YARD LOE UNIT #1B
PRIVATE YARD LOE UNIT #1D
BALCONY @ 8TH-12TH FL
ROOF
ELEC. ROOM ROOF
STAIR BULKHEAD ROOF
TERRACE @7TH FLOOR
TERRACE @2ND FLOOR
24'-0"
38'-9½"
53'-0" LOT
13'-9½"
SETBACK
10'-0"
O.F.
L.P.
PUBLIC ENTRANCE
CURB CUT
PITT STREET (100'-0" WIDE)
COM.
T.S.
HYD.
G.V.
STAIR/ELEVATOR BULKHEAD ROOF
TERRACE @3RD FLOOR
43'-0" INNER COURT
43'-0"
75'-0" LOT
32'-0"
ROOF OF ADJACENT BUILDING
SMALL OUTER COURT
46'-3"
OUTER COURT
10'-9"
53'-5"
5'-6"
22'-0"
INNER COURT
20'-10"
10'-0" SETBACK
BALCONY @ 8TH-12TH FL
5'-7½"
25'-4"
51'-10"
22'-9"
75'-0" LOT
25'-0"
CURB CUT
PEDESTRIAN ENTRANCE
DELANCEY STREET (250'-0" WIDE)
SITE PLAN
All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





NORTH ELEVATION

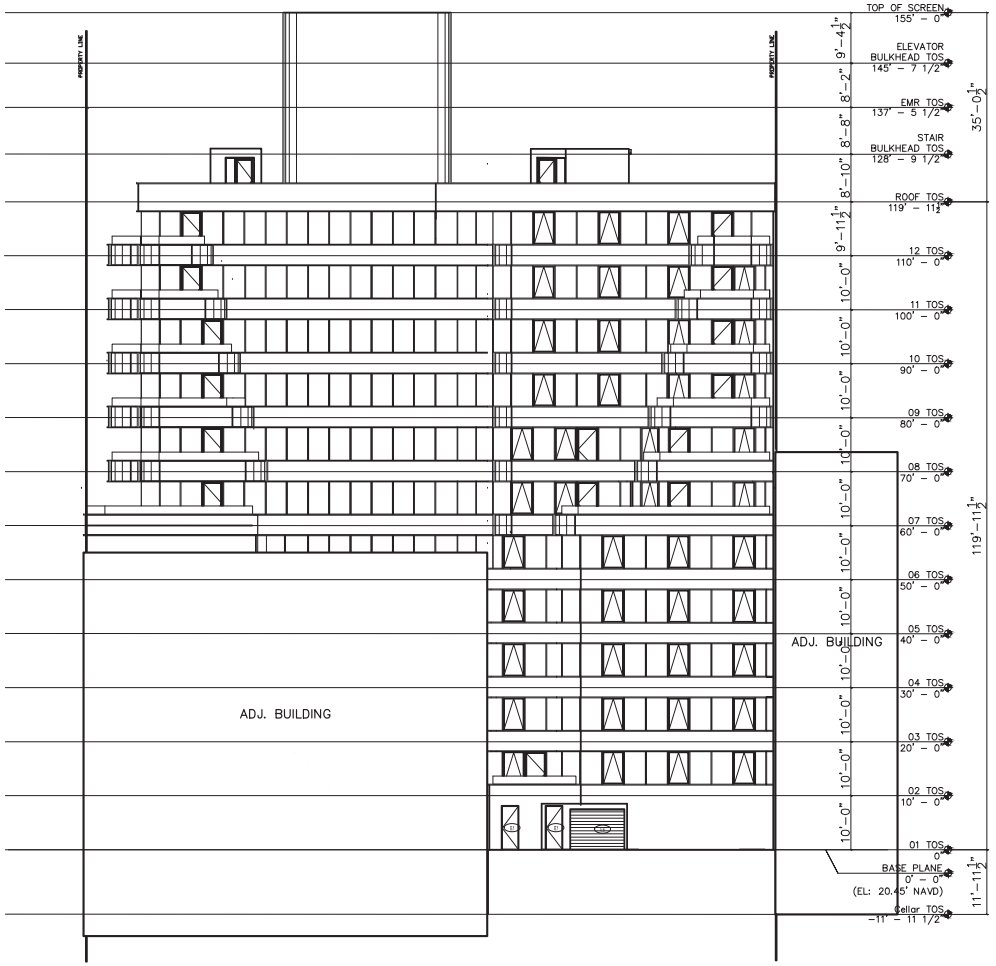
All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

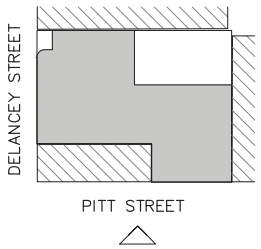
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





SOUTH ELEVATION

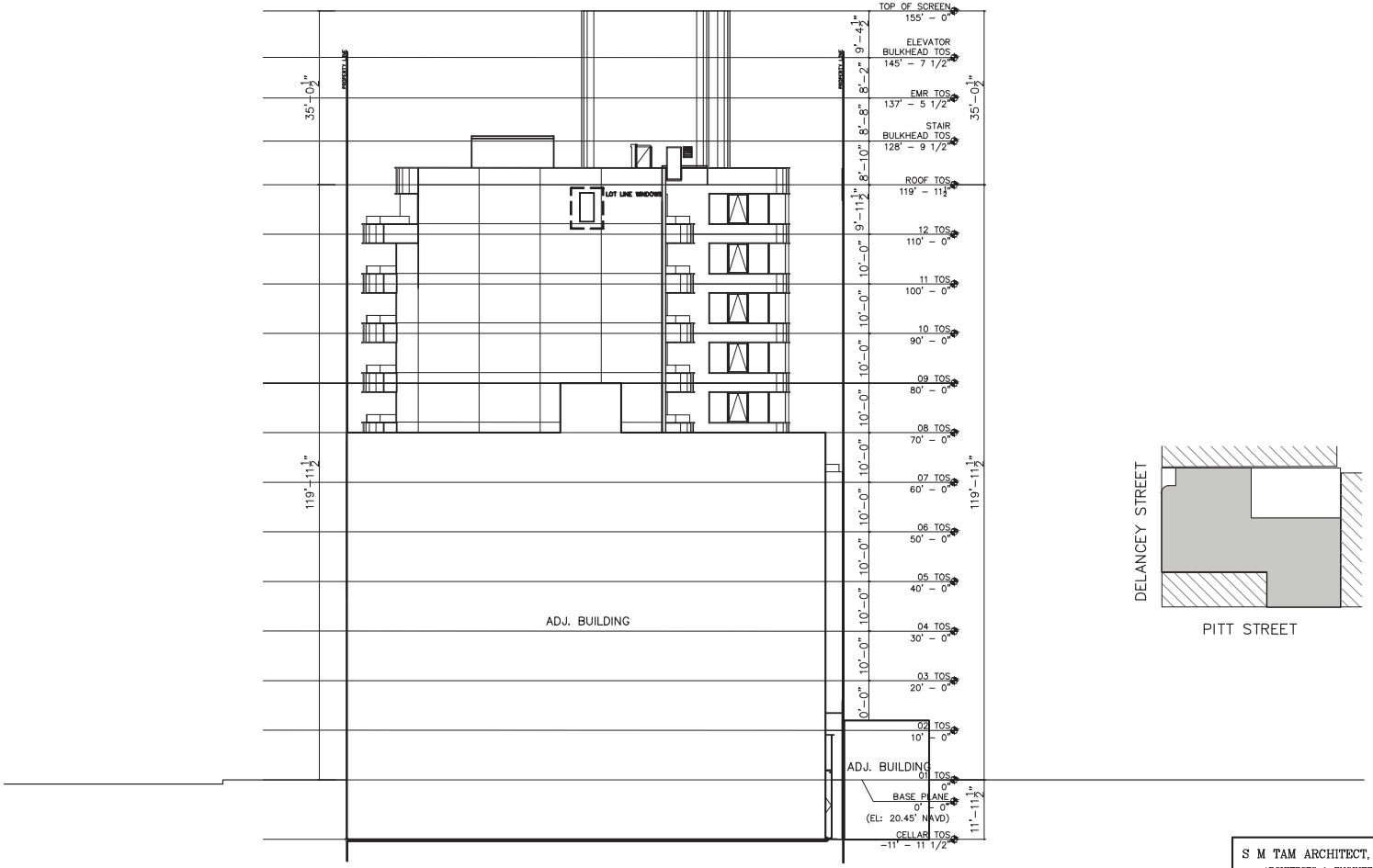
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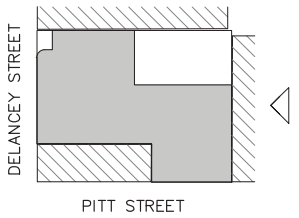
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
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WEST ELEVATION

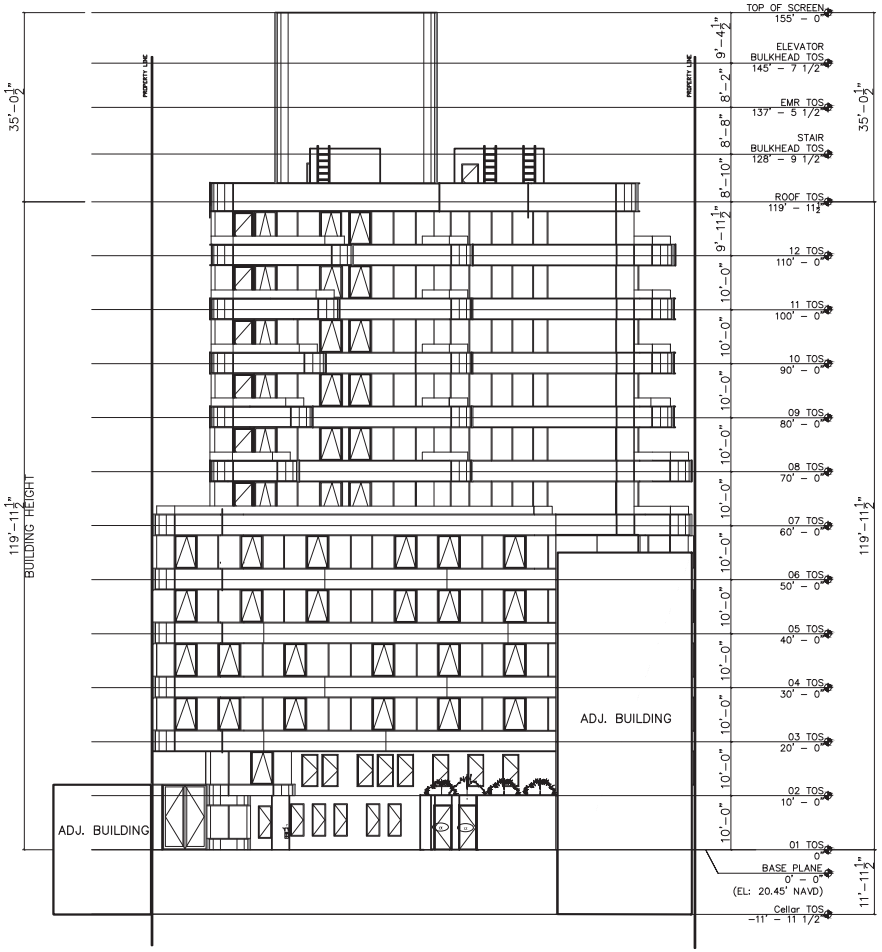
All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

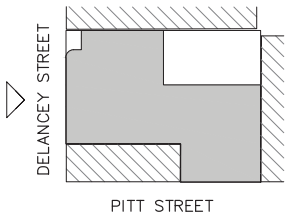
S M TAM ARCHITECT, PLLC
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EAST ELEVATION

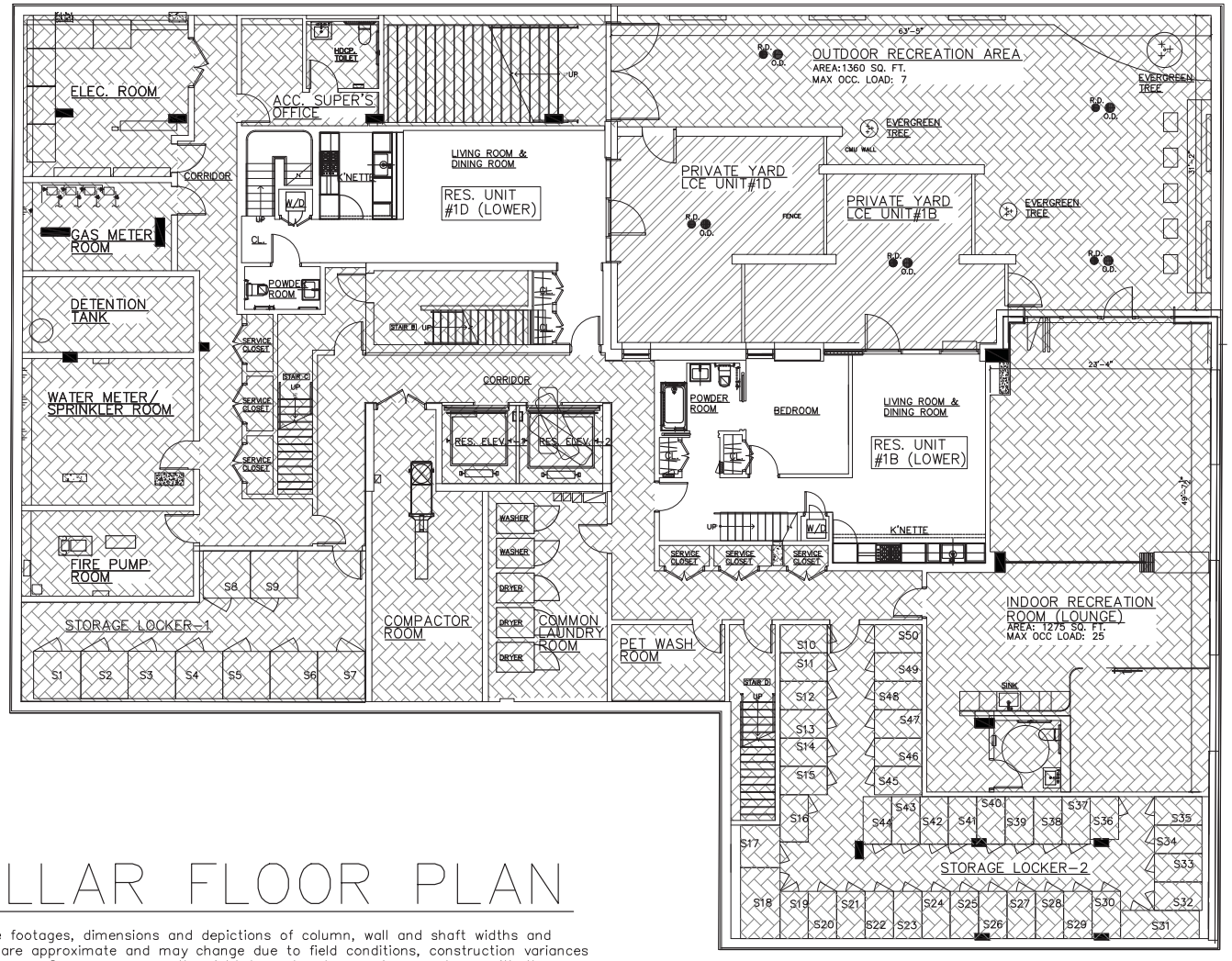
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NEW YORK, NY 10002



CELLAR FLOOR PLAN

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LEGEND
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

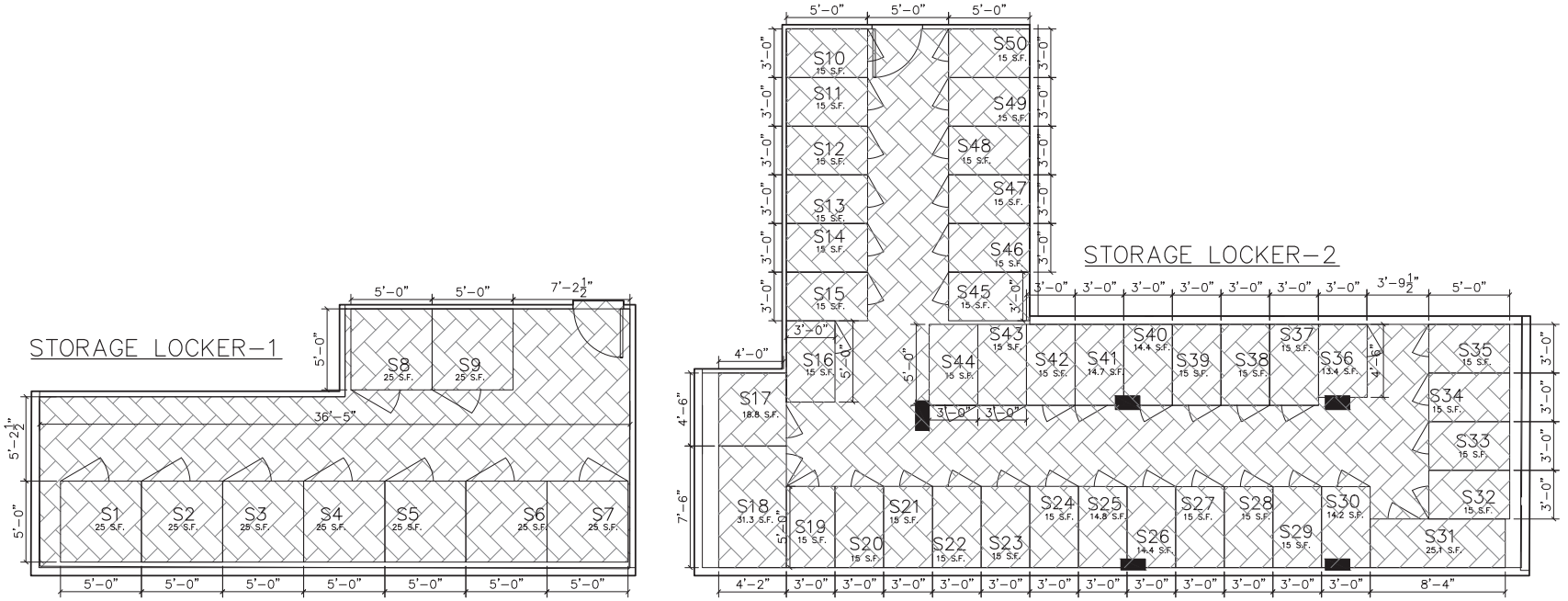
12' 4' 8' 0'

S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
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NEW YORK, NY 10002



STORAGE LOCKER ROOM PLAN

TOTAL: 50 LOCKERS

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LEGEND

GENERAL COMMON ELEMENT

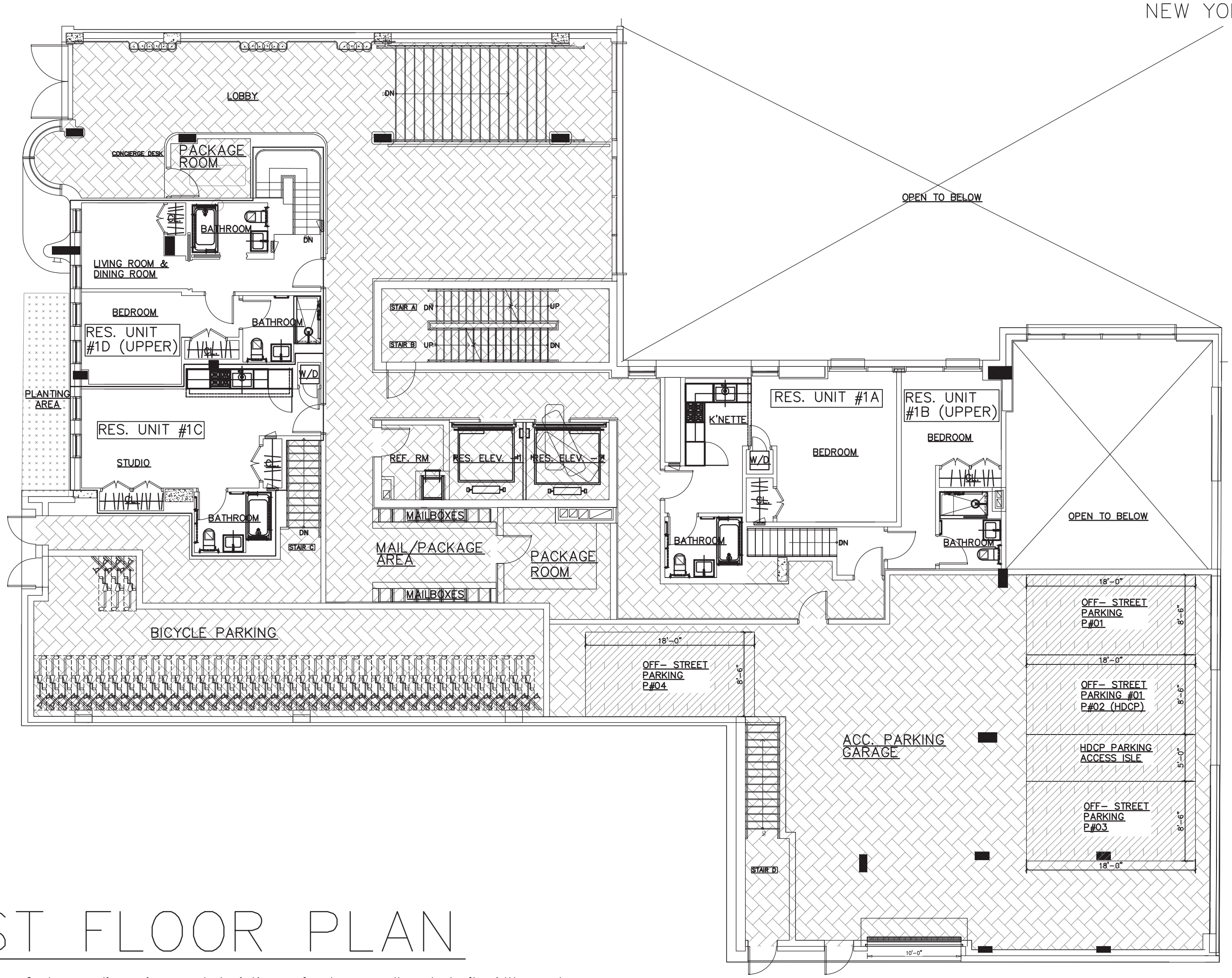
12' 4' 8' 0'

S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1,
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NEW YORK, NY 10002



1ST FLOOR PLAN

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12' 8' 4' 0'

LEGEND

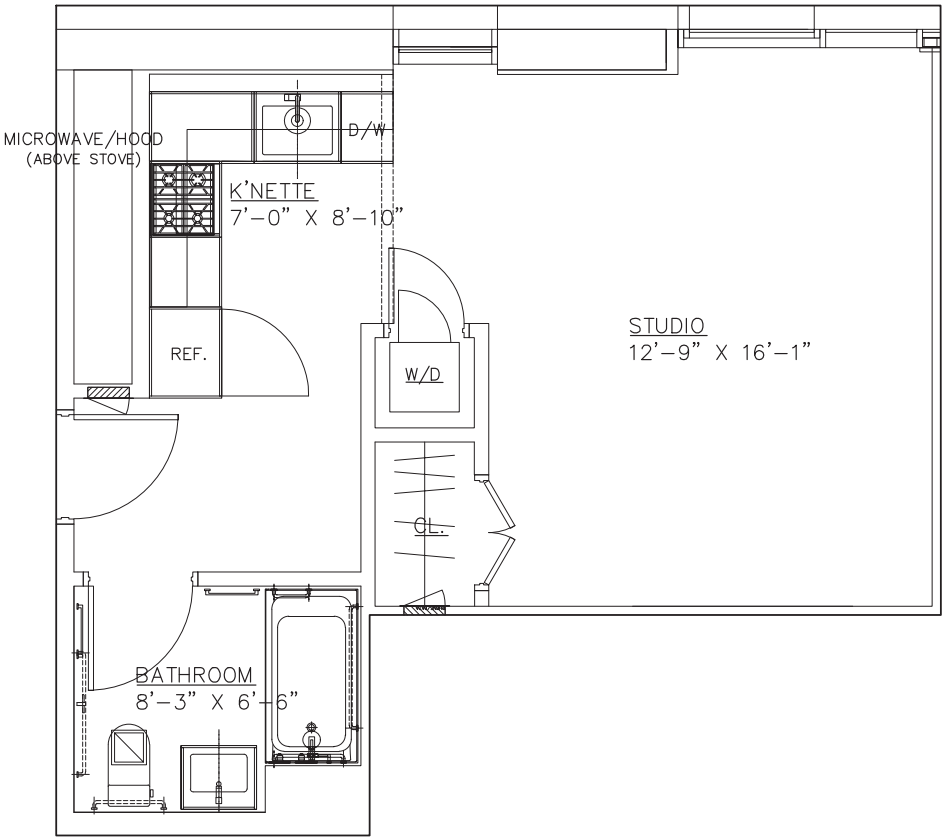
- RESIDENTIAL UNIT
- GENERAL COMMON ELEMENT
- PARKING SPACE

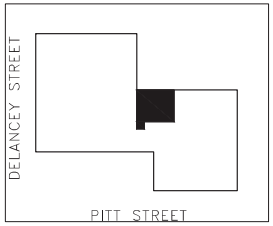
S M TAM ARCHITECT, PLLC
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208 DELANCEY CONDOMINUM

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RESIDENTIAL UNIT #1A

AREA: 470.0 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

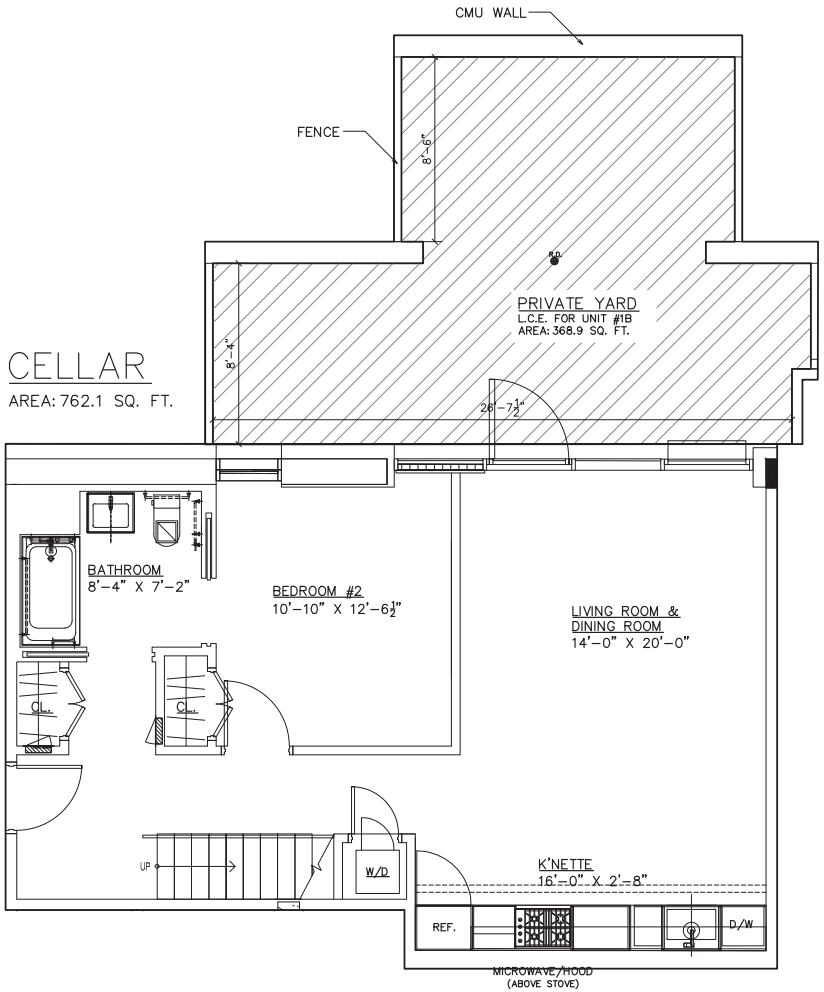
12' 8' 4' 0'

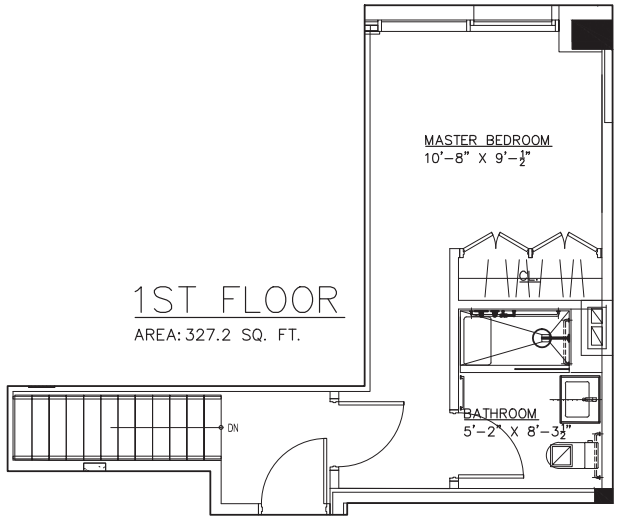
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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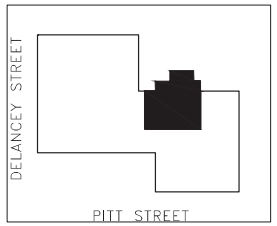
REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

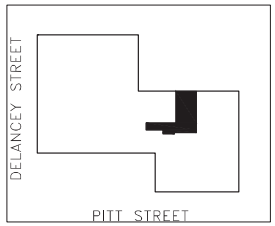
208 DELANCEY STREET
NEW YORK, NY 10002







CELLAR



1ST FLOOR

RESIDENTIAL UNIT #1B

AREA: 1089.3 SQ. FT.

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LEGEND

- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

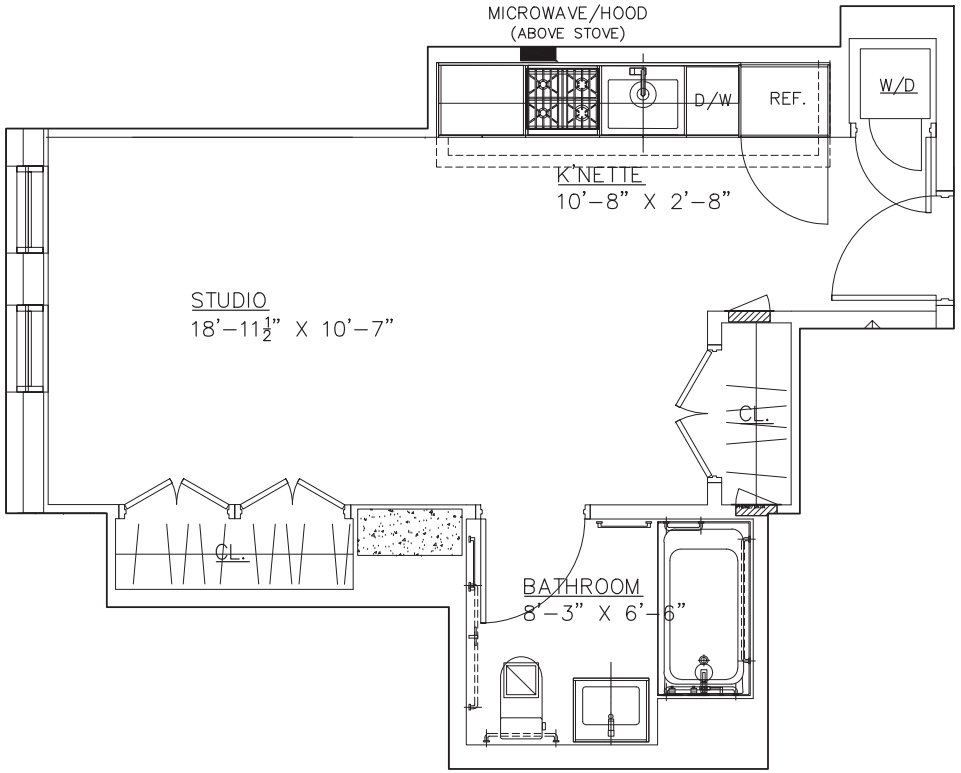
12' 4' 8' 0'

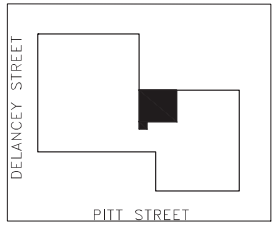
S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #1C

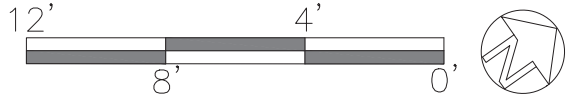
AREA: 422.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

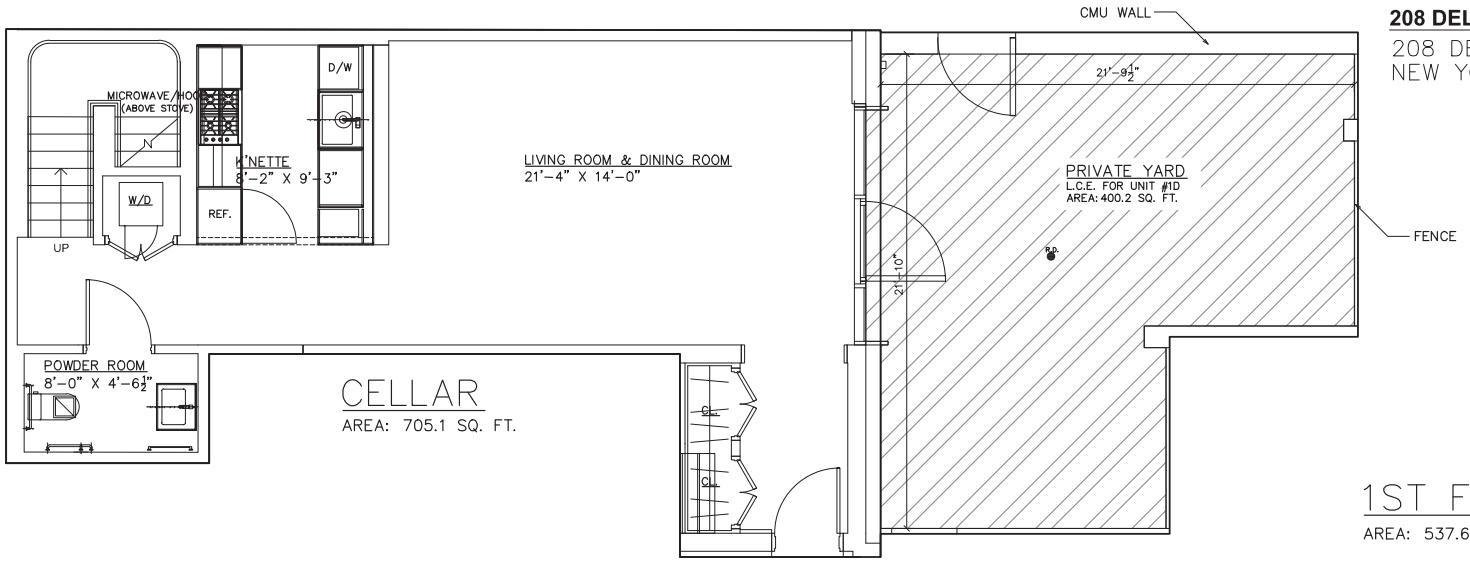


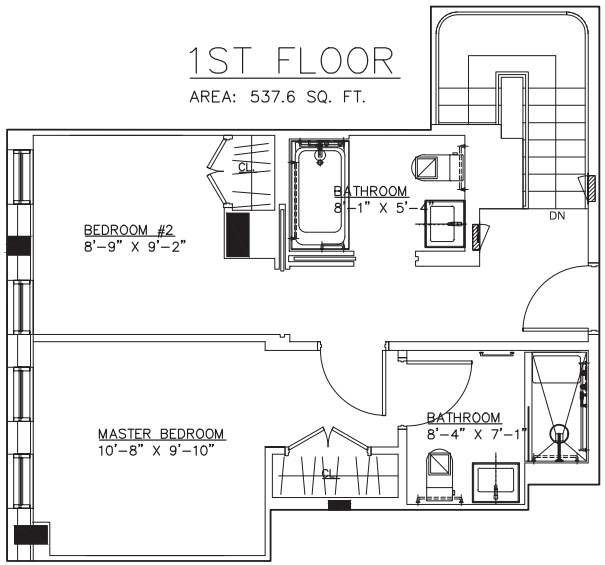
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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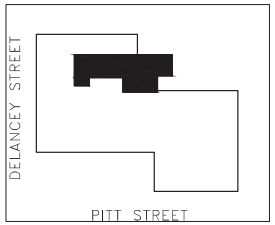
208 DELANCEY STREET
NEW YORK, NY 10002



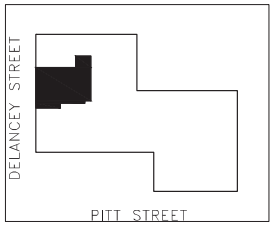


RESIDENTIAL UNIT #1D

AREA: 1,242.7 SQ. FT.



CELLAR



1ST FLOOR

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

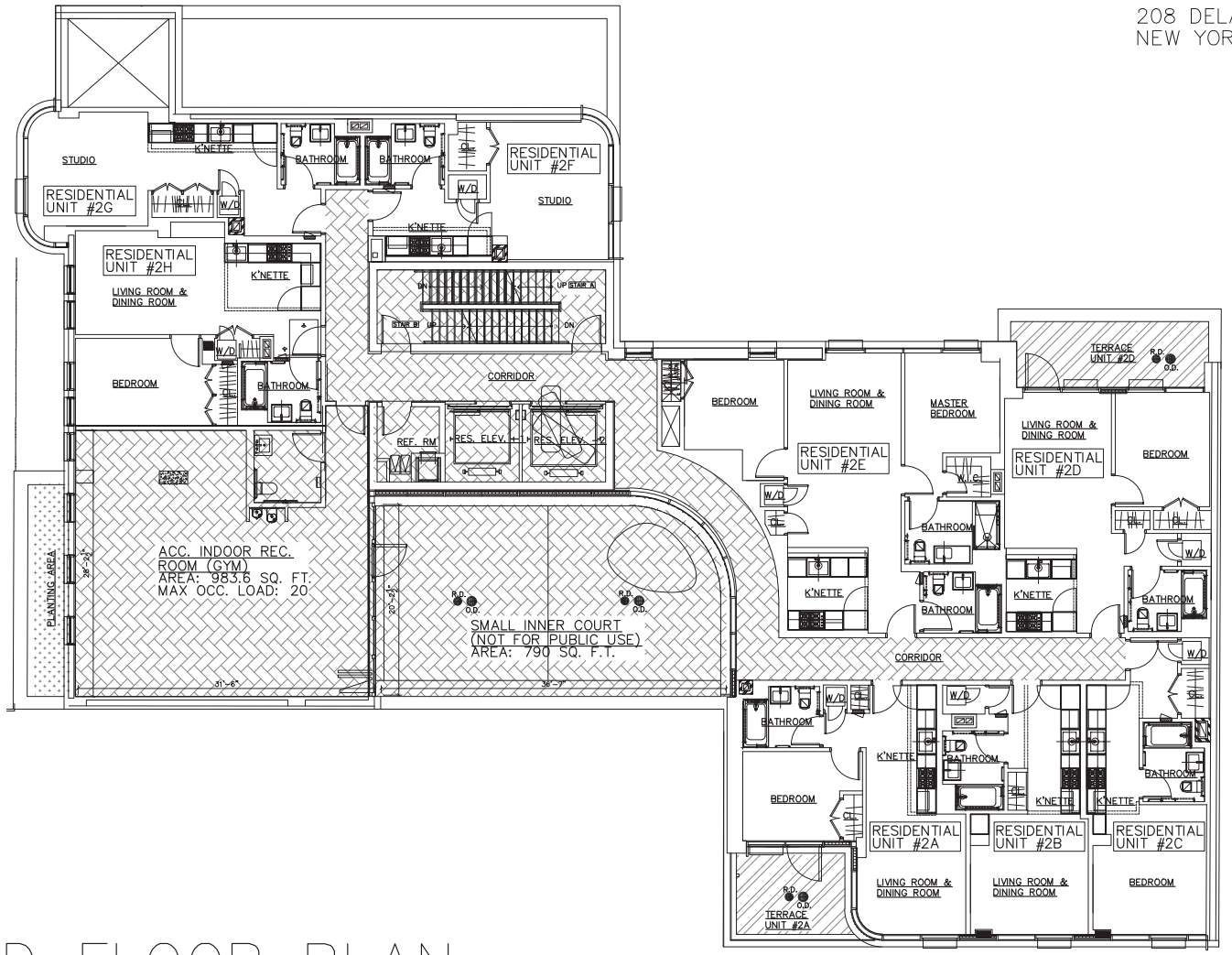


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2ND FLOOR PLAN

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12' 4' 8' 0'

LEGEND

- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

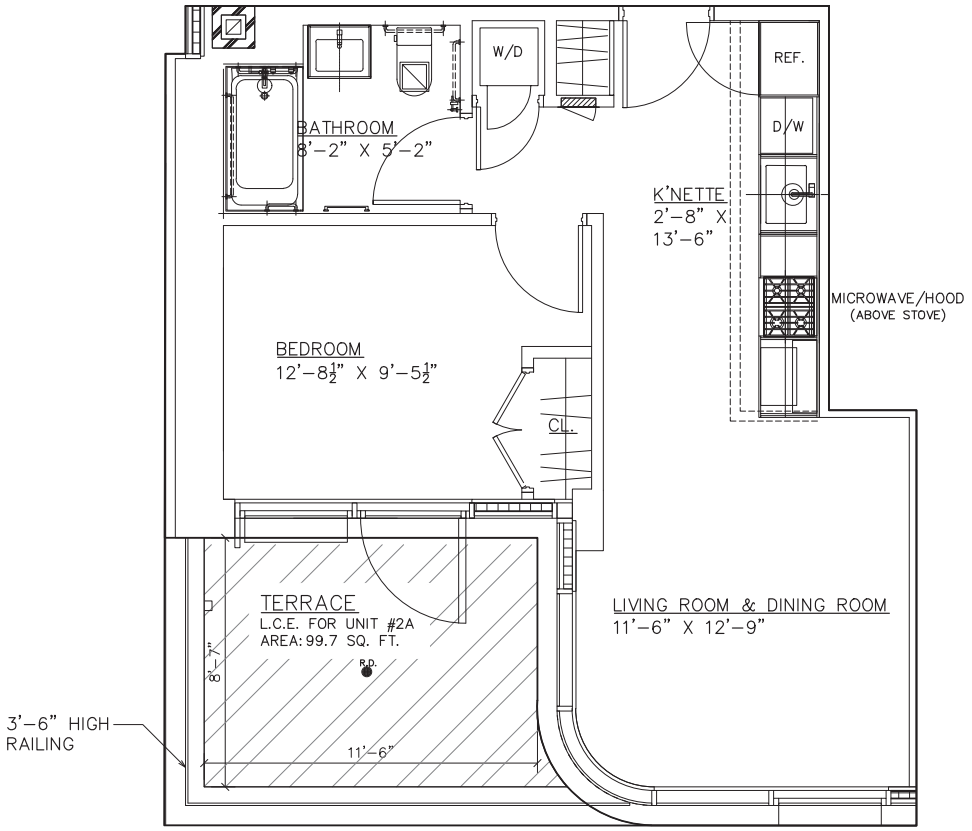
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS

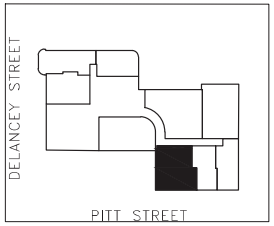
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #2A

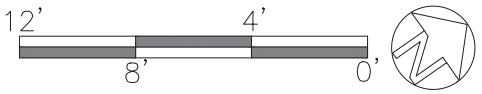
AREA: 539.7 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

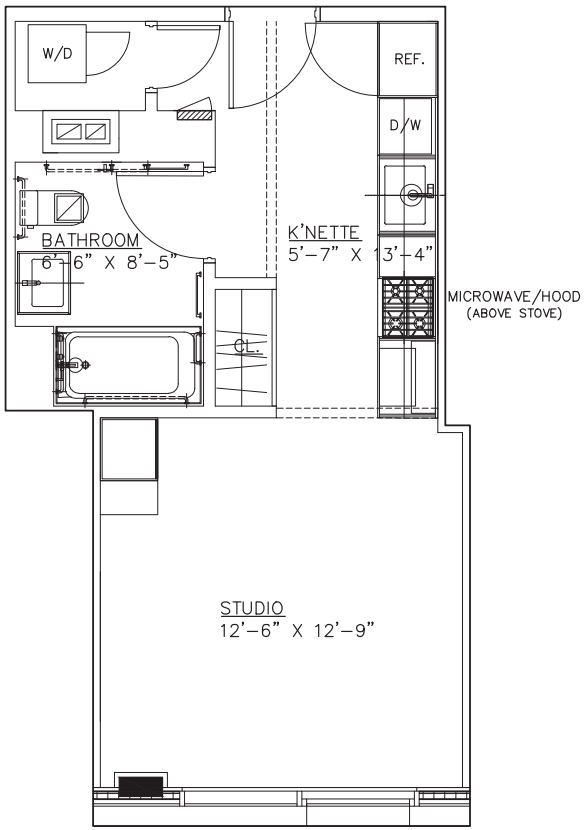


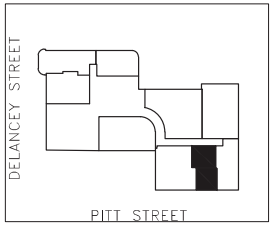
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
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RESIDENTIAL UNIT #2B

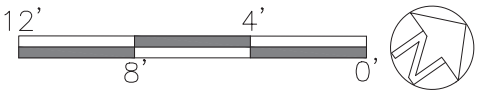
AREA: 385.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

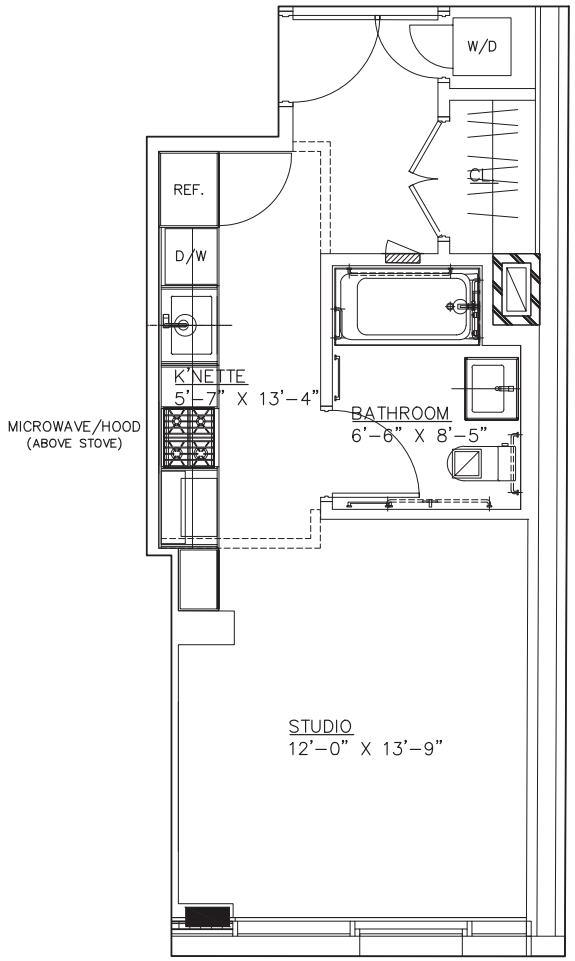


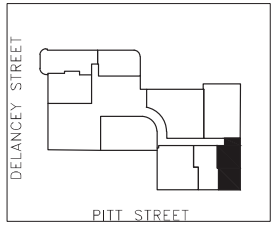
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
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REVISION DATE: 09/18/2020
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NEW YORK, NY 10002





RESIDENTIAL UNIT #2C

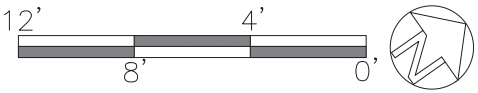
AREA: 431.9 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

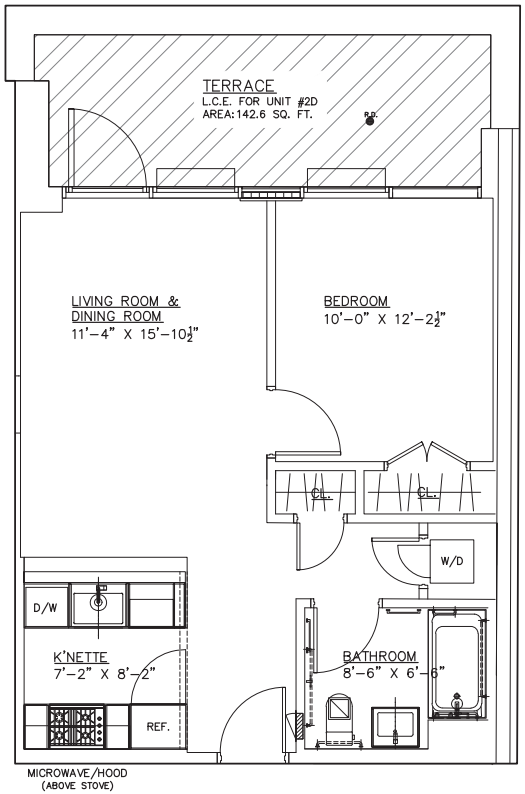


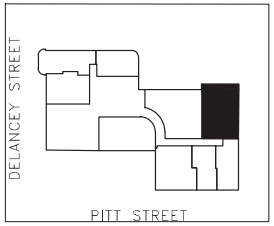
S M TAM ARCHITECT, PLLC
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RESIDENTIAL UNIT #2D

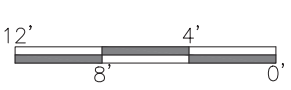
AREA: 607.0 SQ. FT.

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

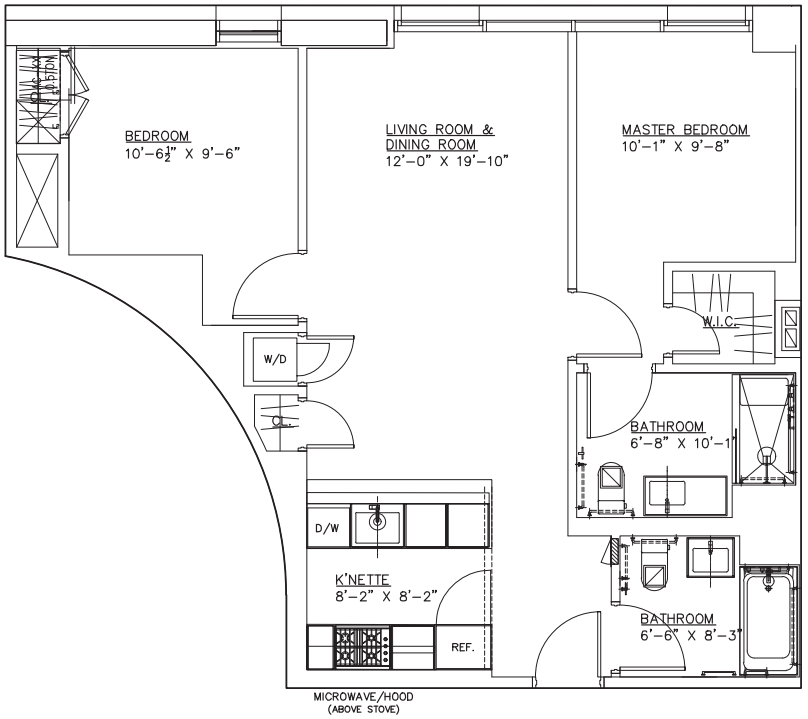


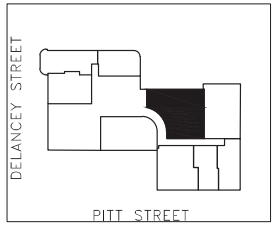
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #2E

AREA: 902.2 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

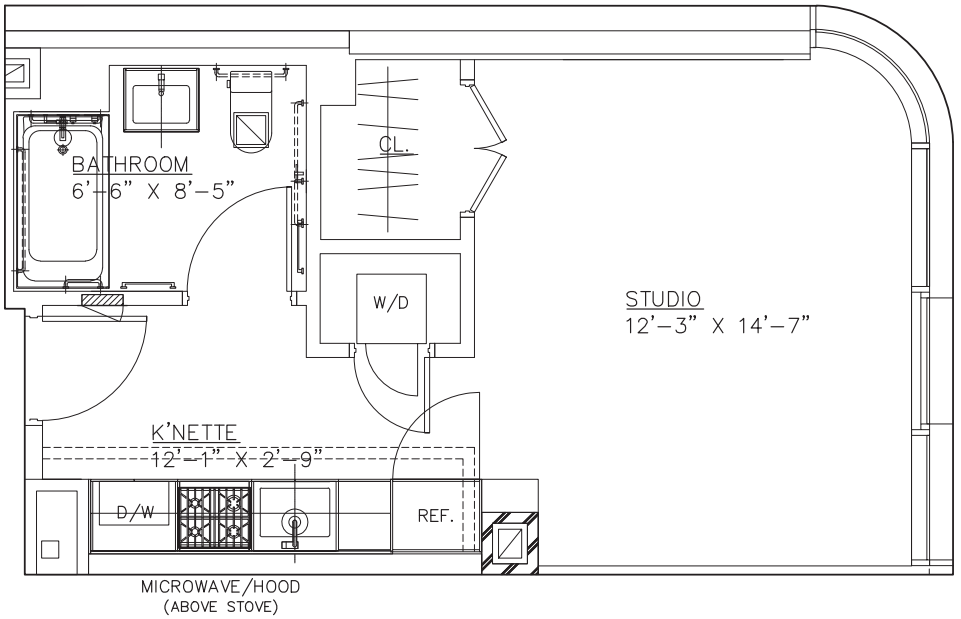


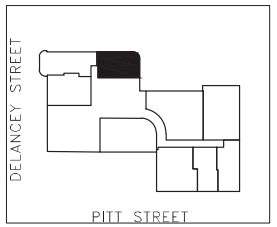
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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REVISION DATE: 09/18/2020
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002





RESIDENTIAL UNIT #2F

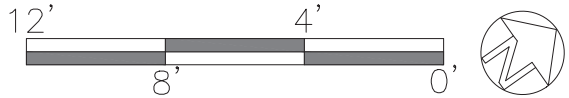
AREA: 444.0 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

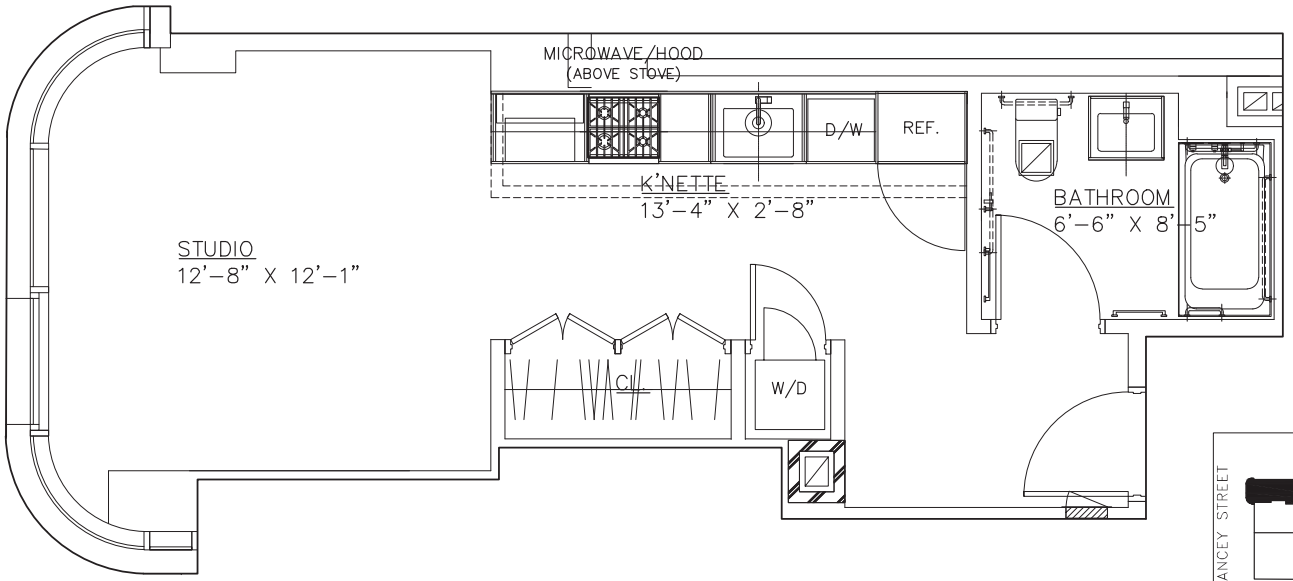


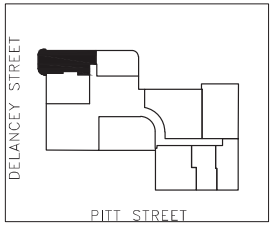
S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1,
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REVISION DATE: 09/18/2020
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NEW YORK, NY 10002





RESIDENTIAL UNIT #2G

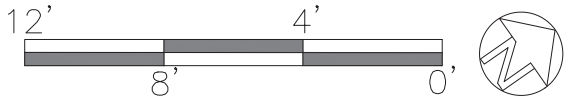
AREA: 462.1 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

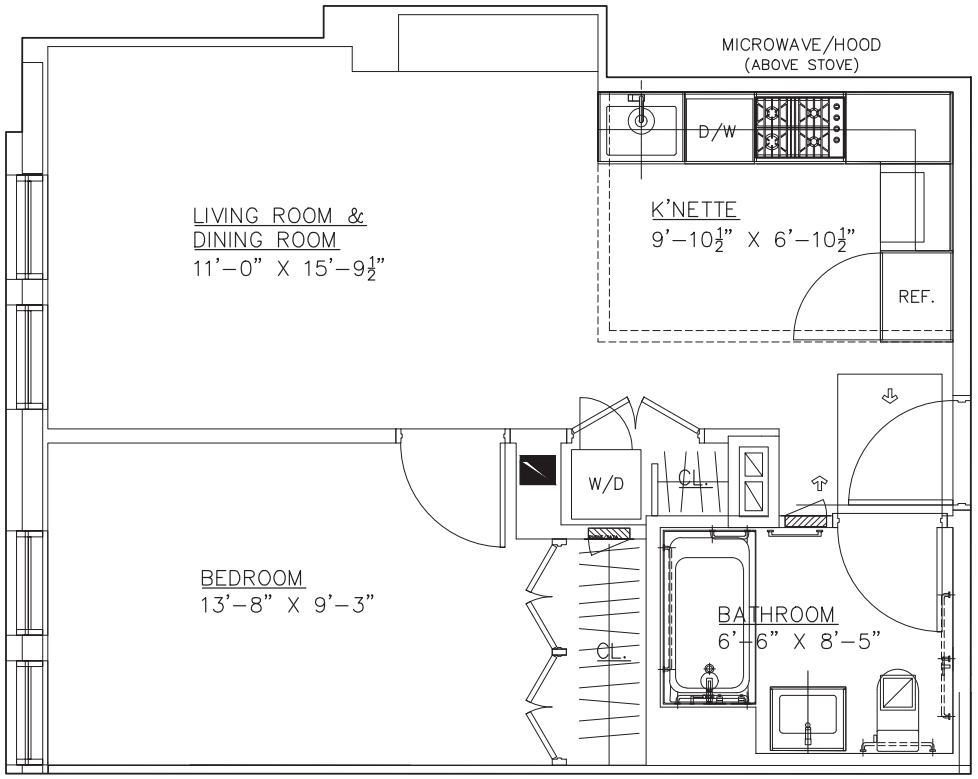


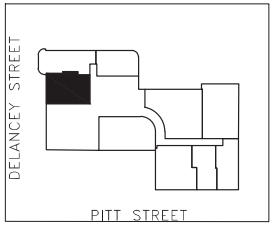
S M TAM ARCHITECT, PLLC
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RESIDENTIAL UNIT #2H

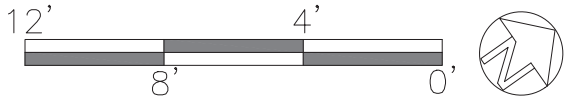
AREA: 579.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

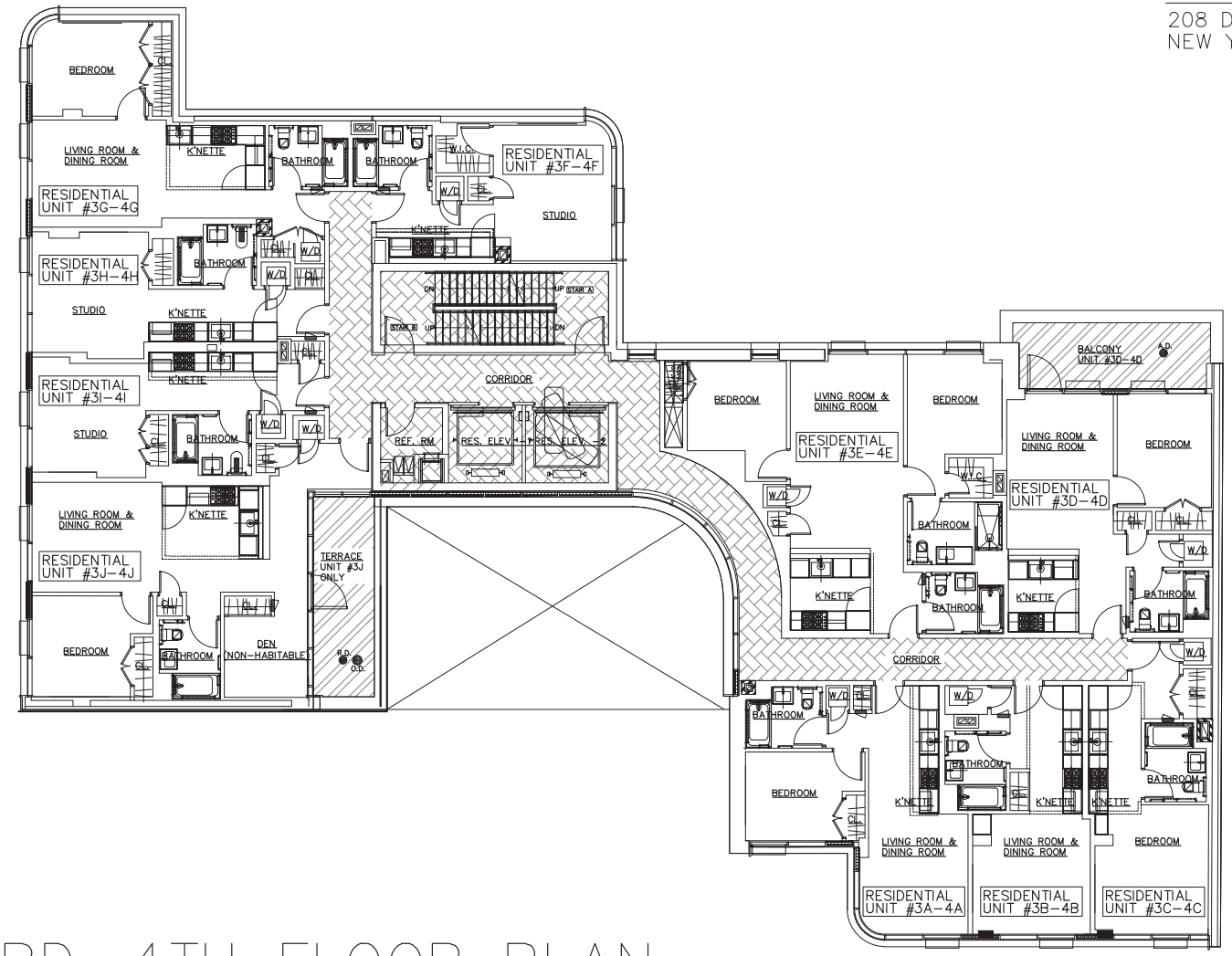


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3RD–4TH FLOOR PLAN

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12' 4' 8' 0'

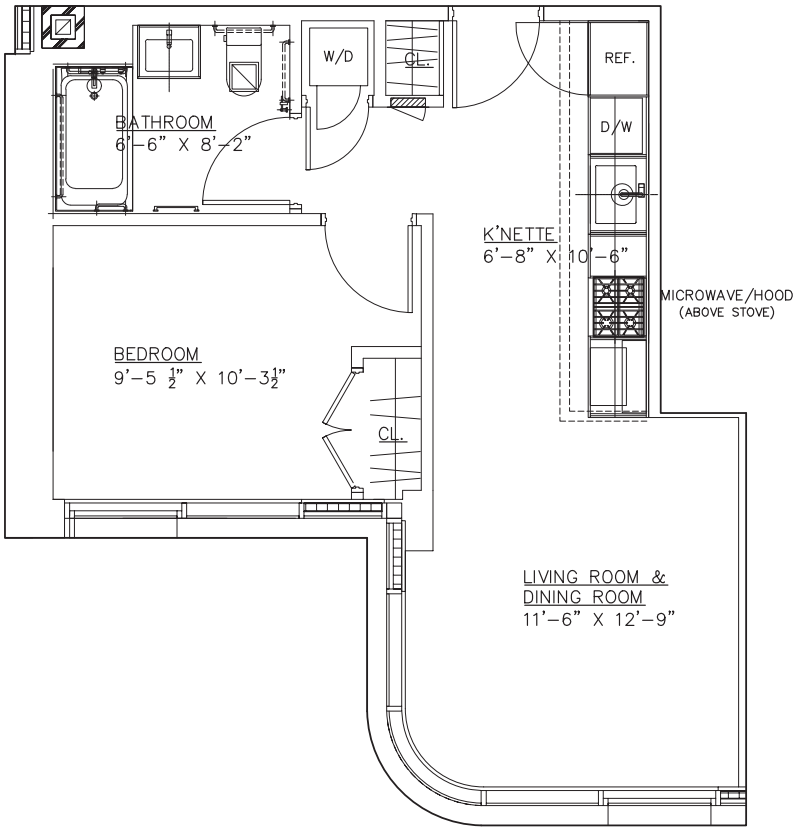
LEGEND
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

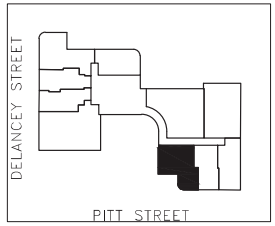
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

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RESIDENTIAL UNIT #3A-4A

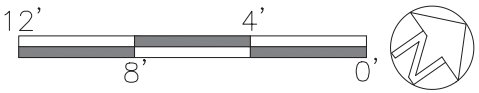
AREA: 553.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

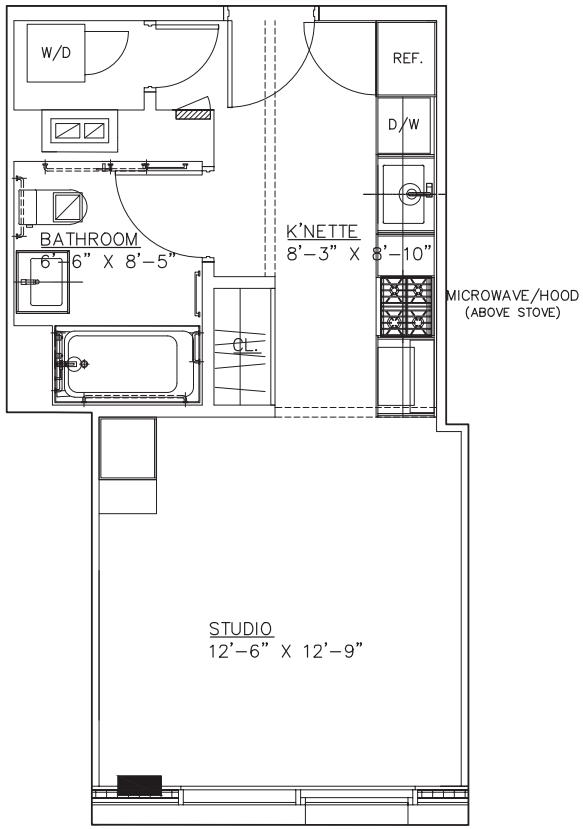


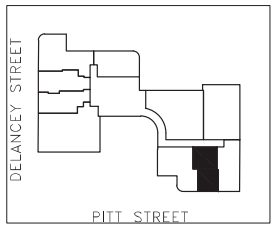
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #3B-4B

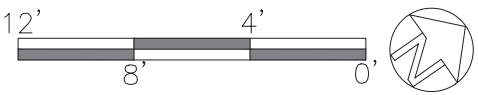
AREA: 394.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

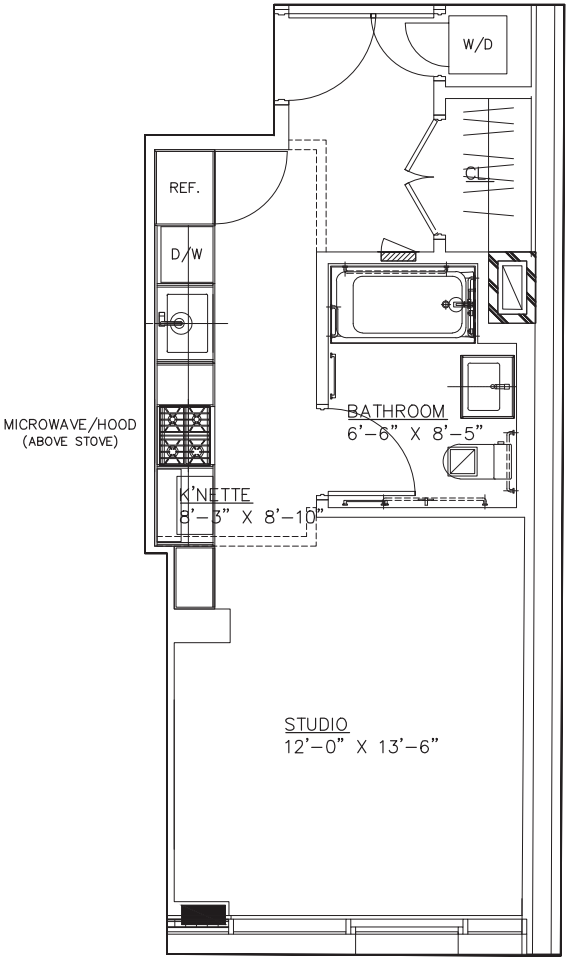


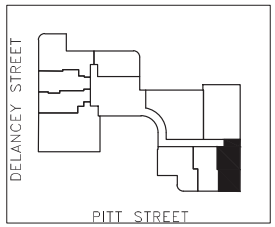
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #3C-4C

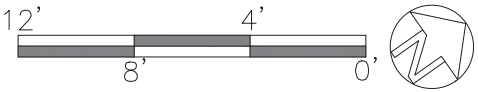
AREA: 441.4 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

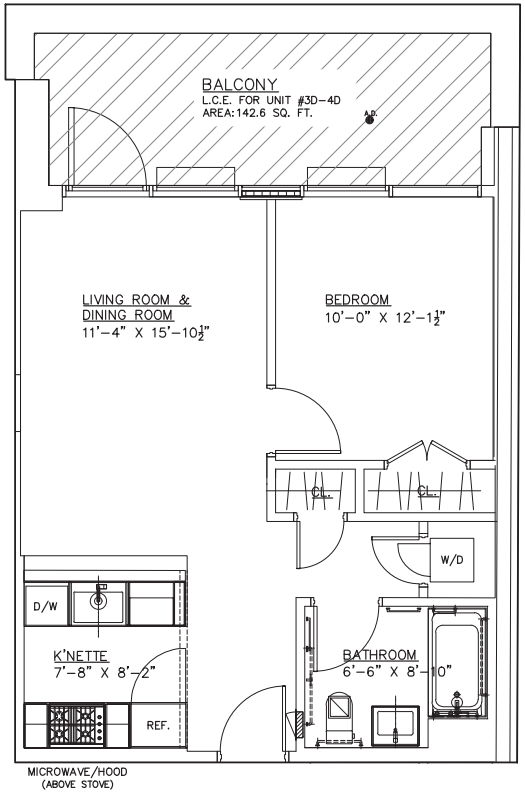


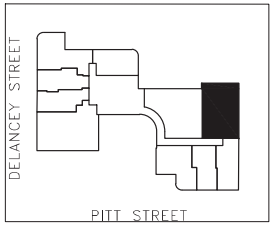
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002





RESIDENTIAL UNIT #3D–4D

AREA: 607.1 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

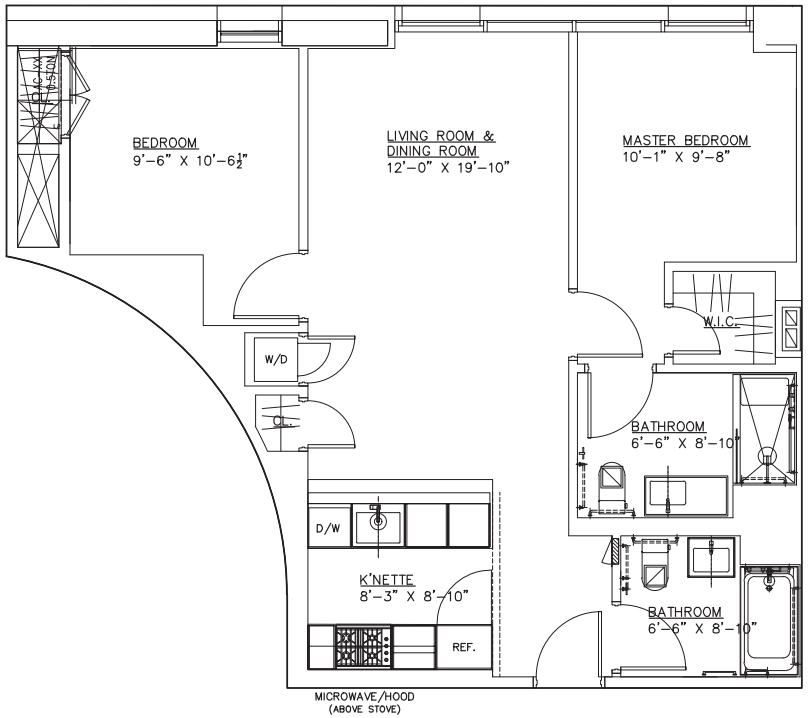


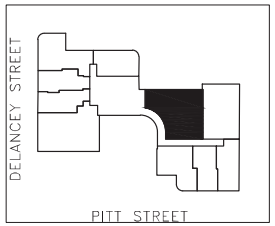
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #3E-4E

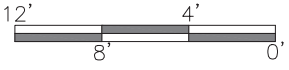
AREA: 926.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR



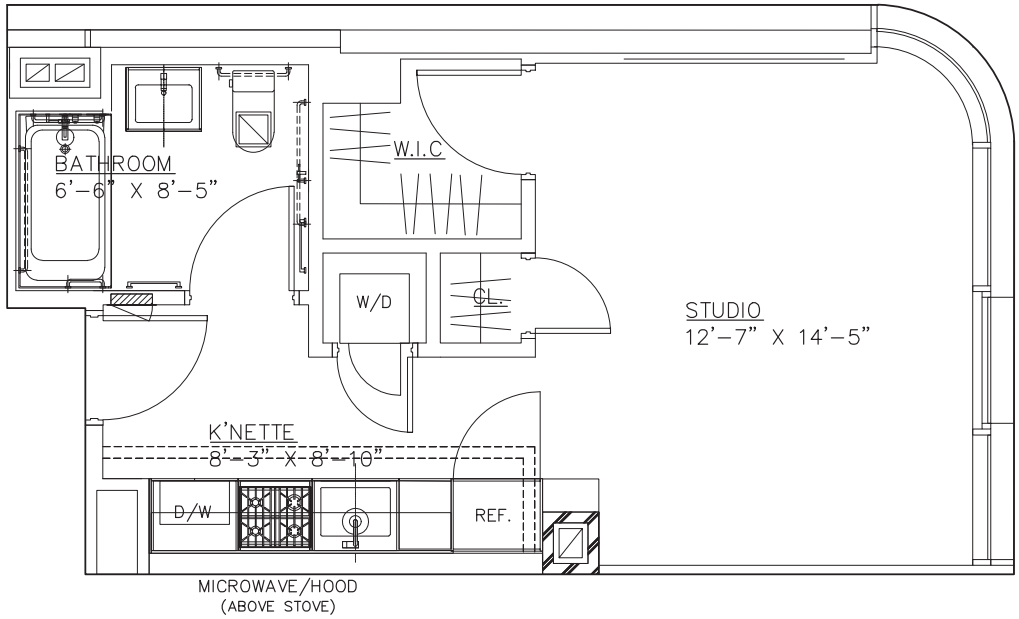


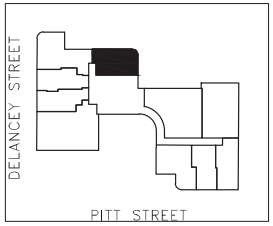
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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RESIDENTIAL UNIT #3F – 4F

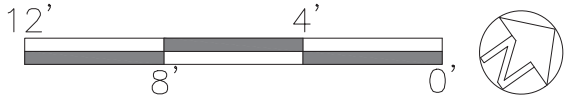
AREA: 459.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

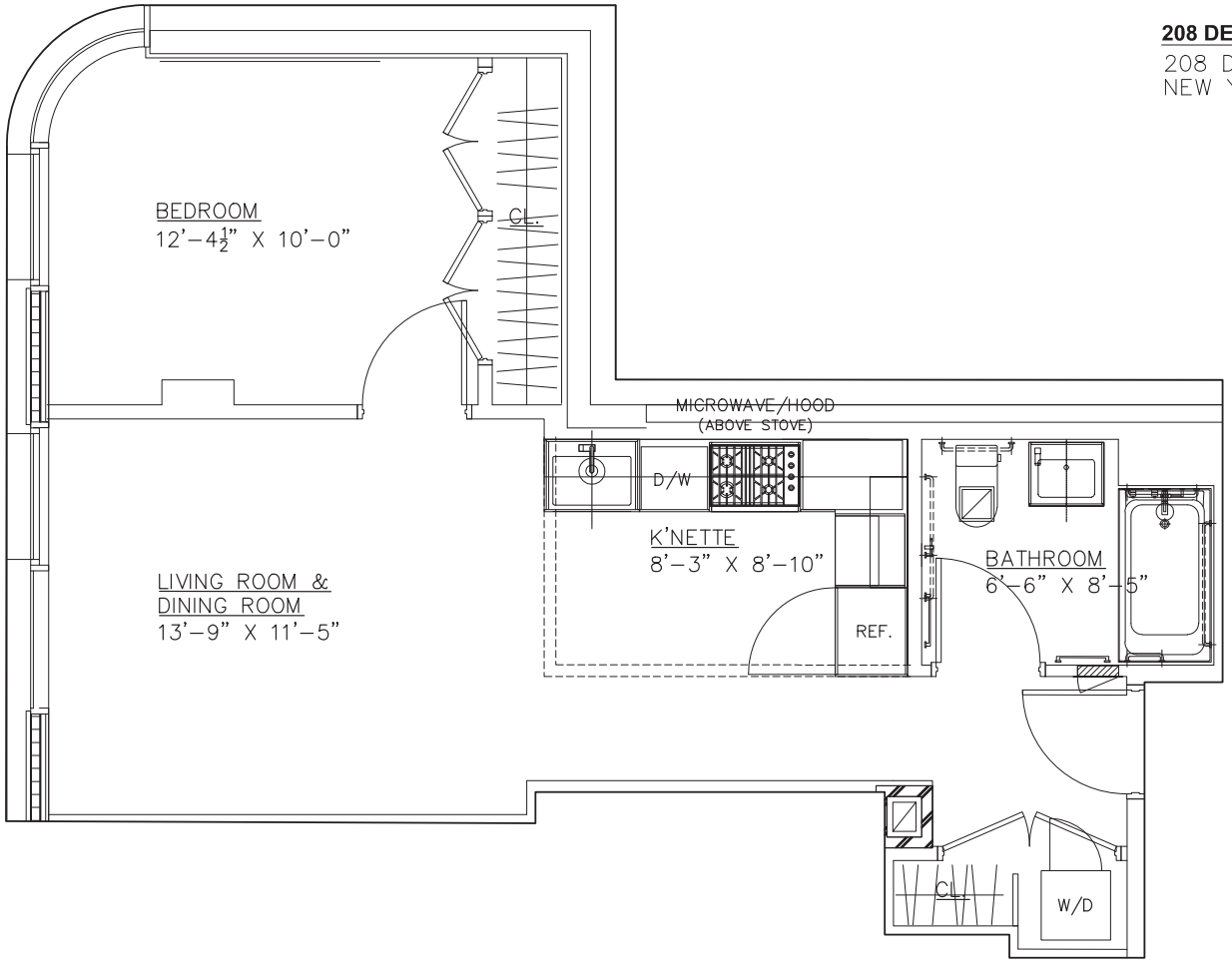


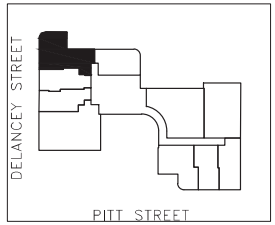
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #3G-4G

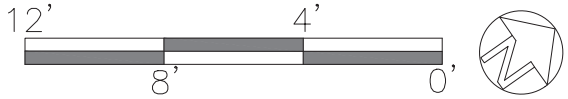
AREA: 639.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

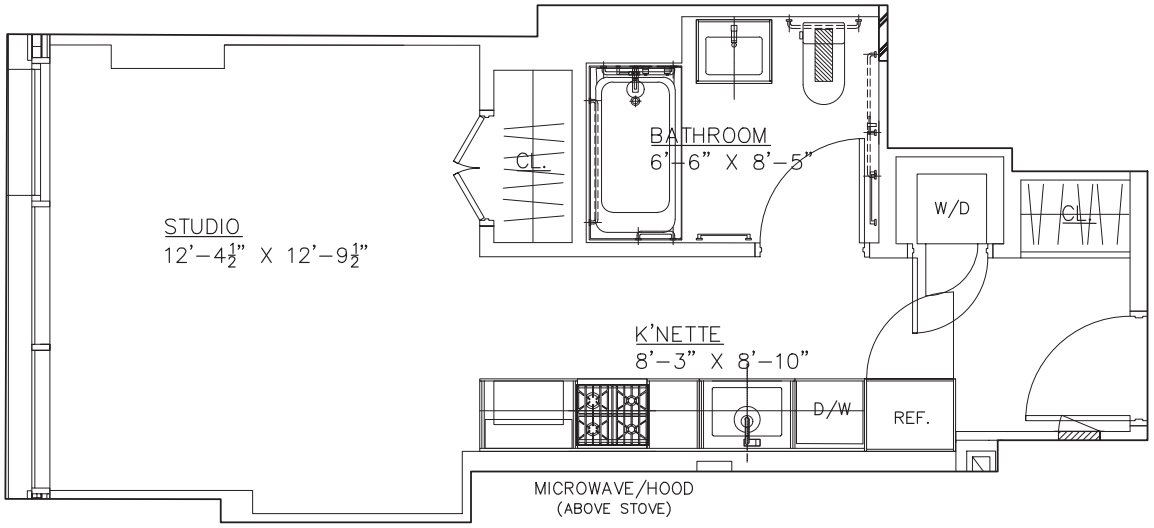


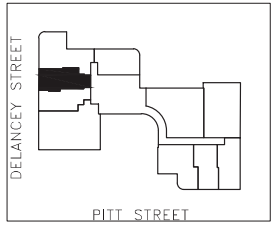
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #3H–4H

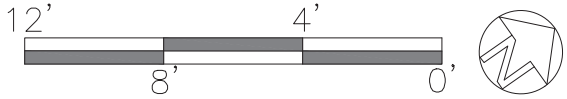
AREA: 406.1 SQ. FT.

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

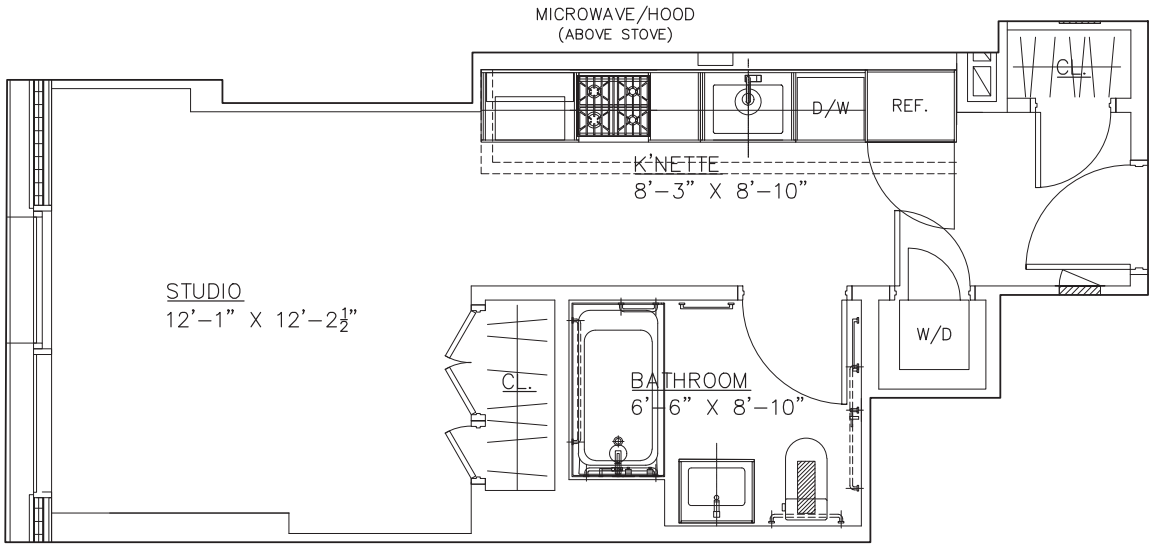


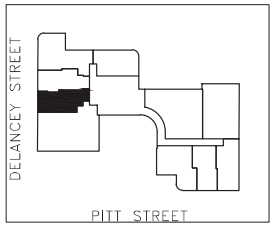
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002





RESIDENTIAL UNIT #31-41

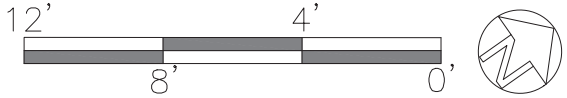
AREA: 387.9 SQ. FT.

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

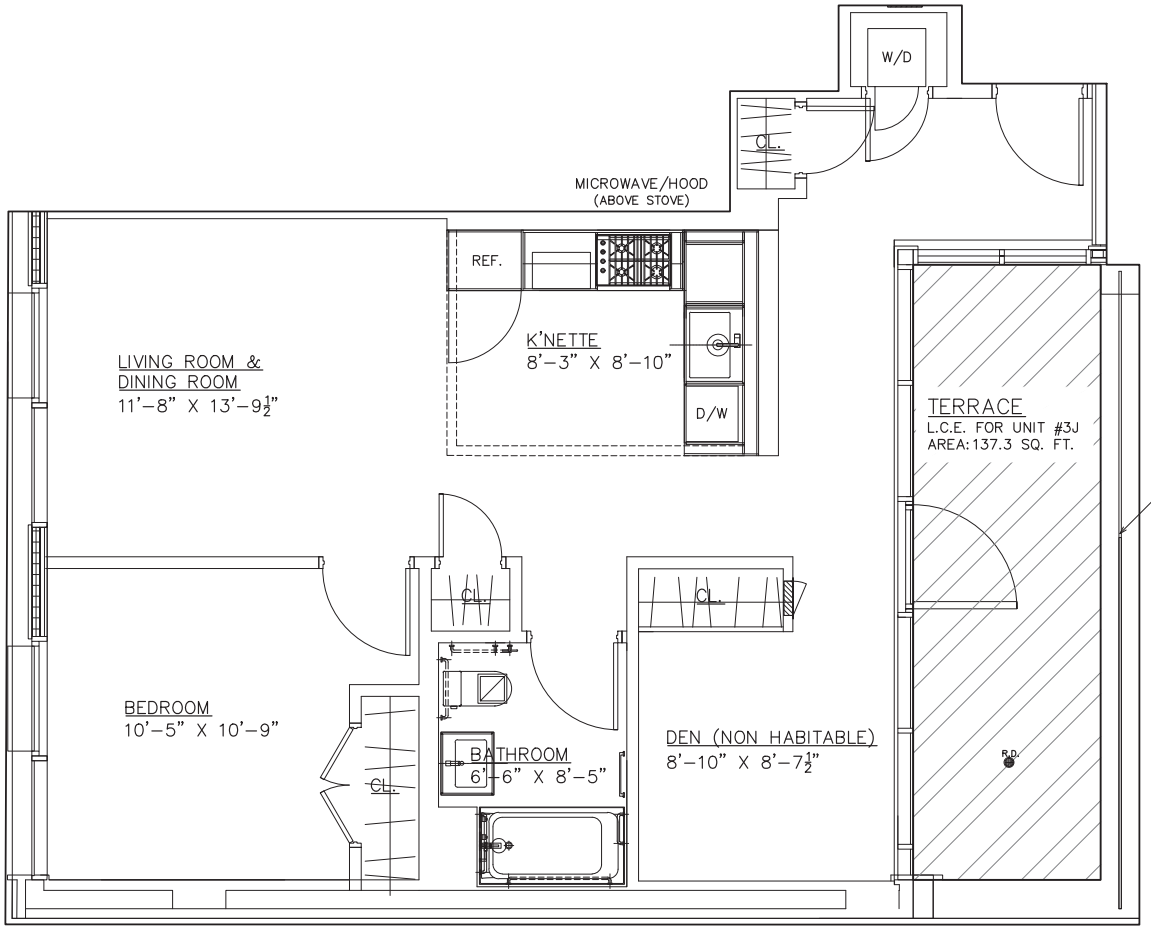


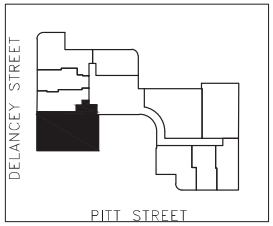
S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #3J–4J

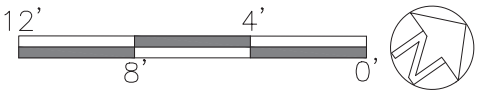
AREA: 858.9 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

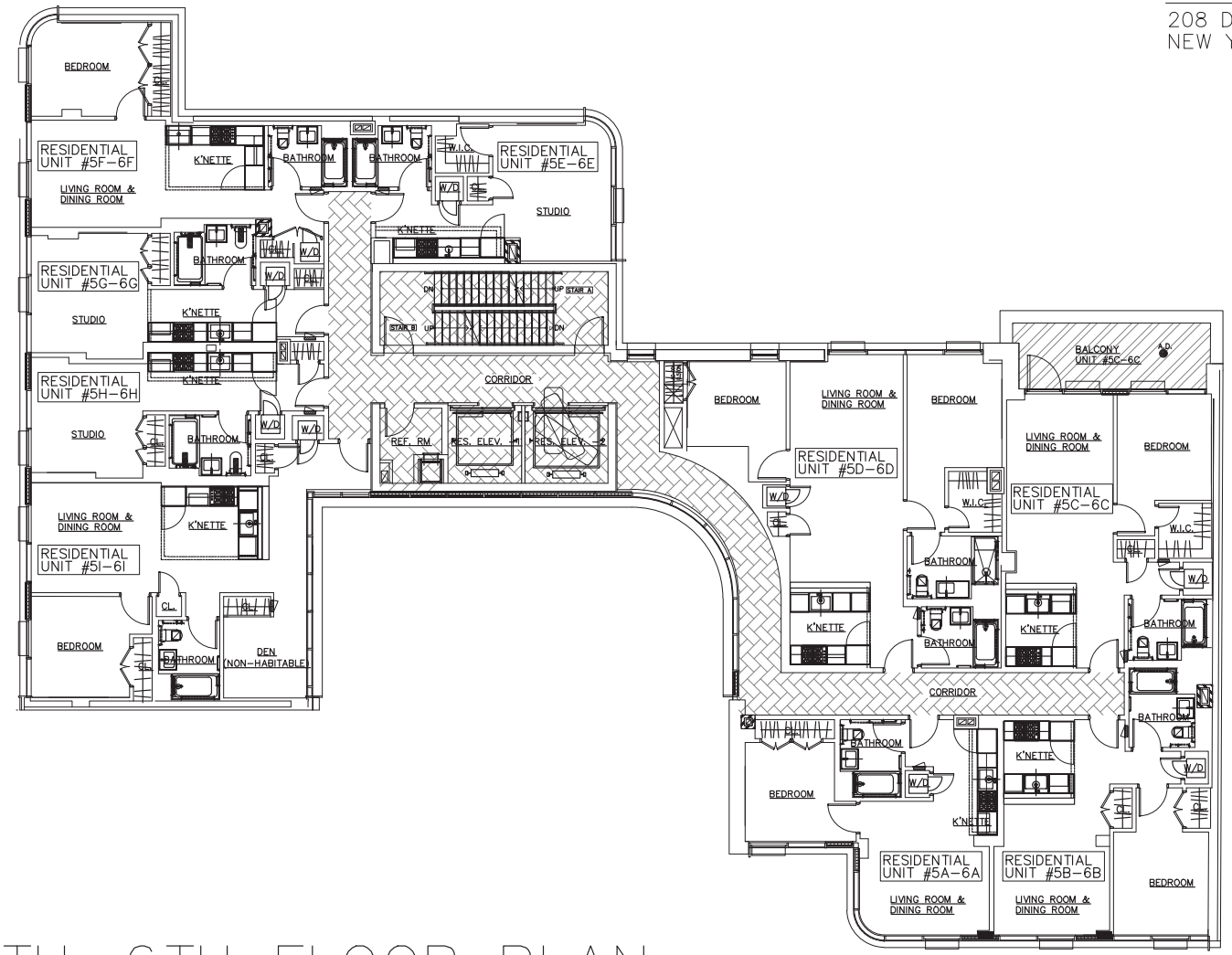


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ARCHITECTS & ENGINEERS
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REVISION DATE: 09/18/2020
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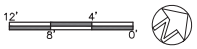
208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002



5TH–6TH FLOOR PLAN

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.



LEGEND

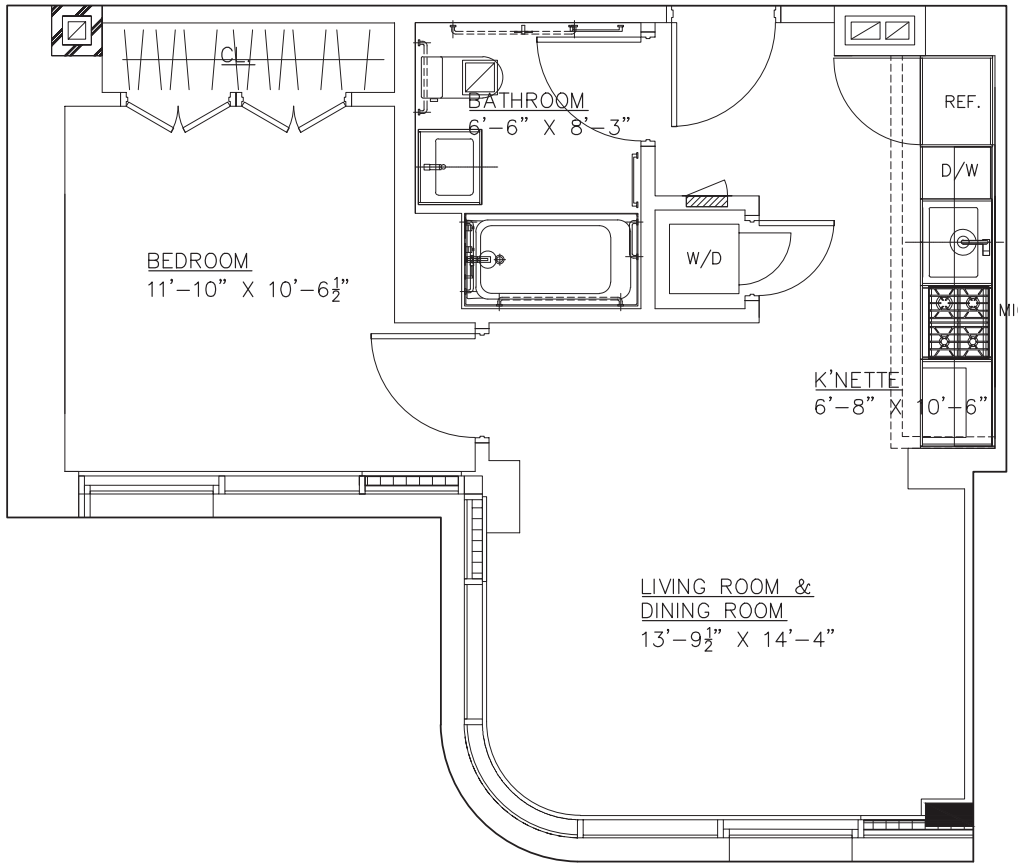
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

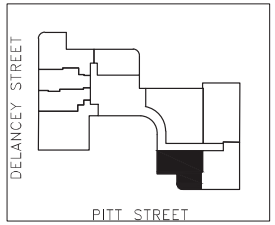
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

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RESIDENTIAL UNIT #5A-6A

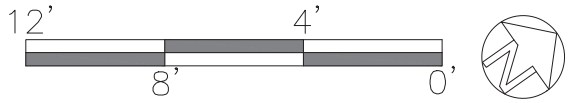
AREA: 565.4 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

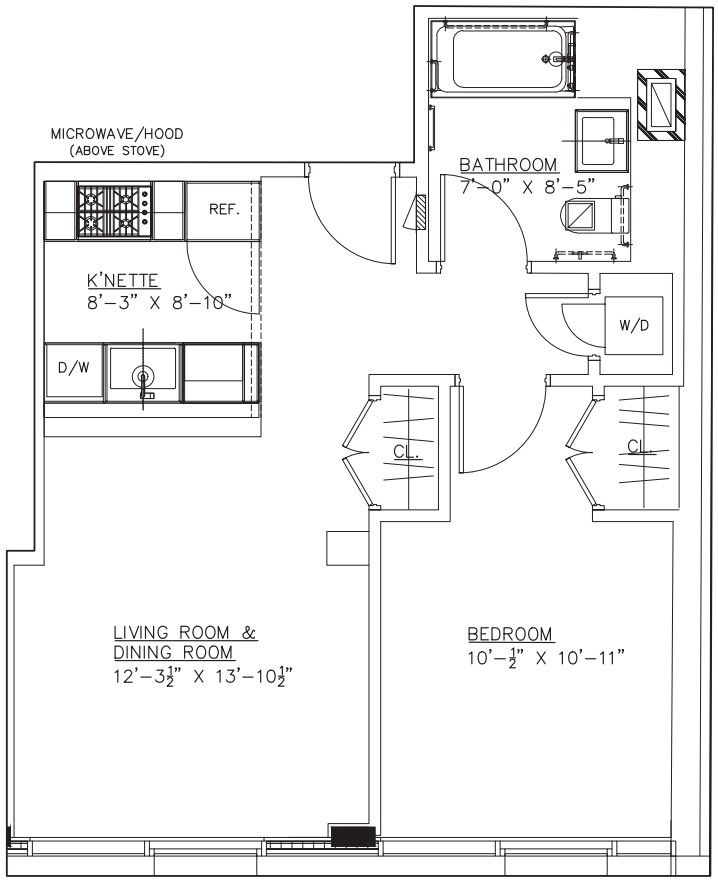


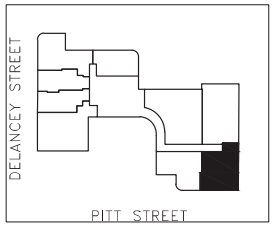
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #5B–6B

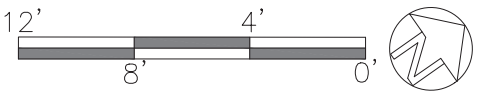
AREA: 646.0 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

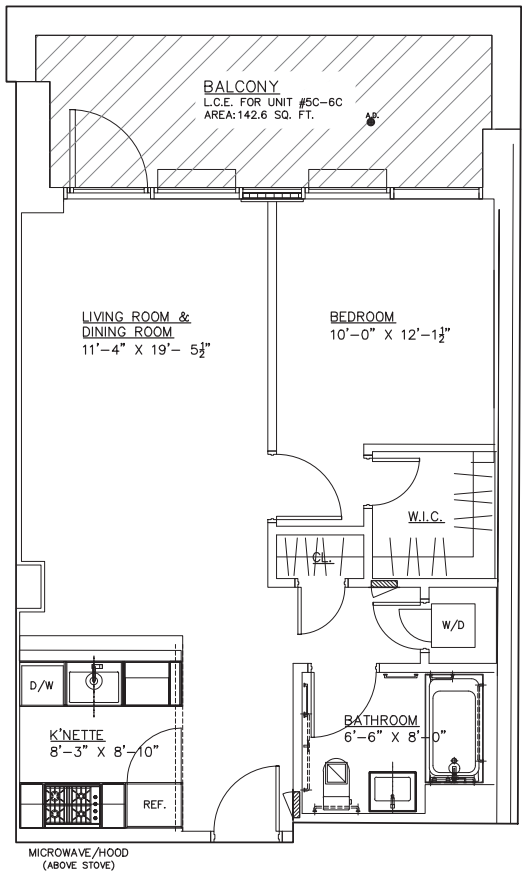


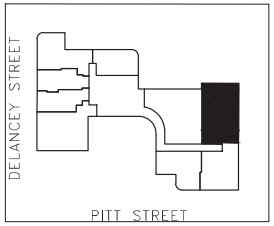
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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RESIDENTIAL UNIT #5C-6C

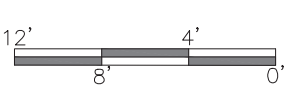
AREA: 689.0 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

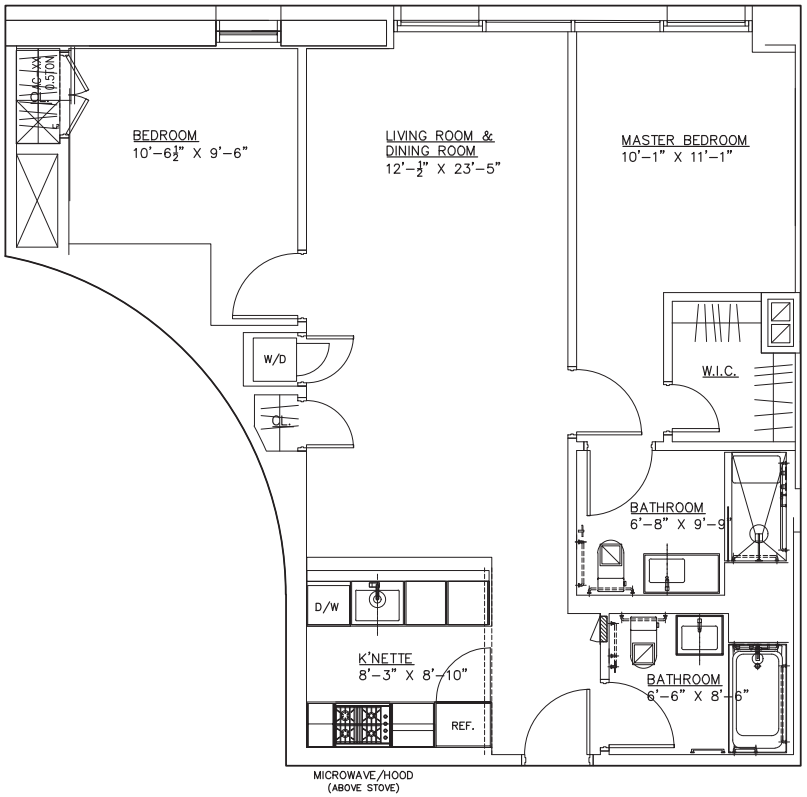


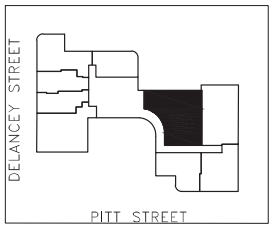
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
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RESIDENTIAL UNIT #5D–6D

AREA: 1009.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

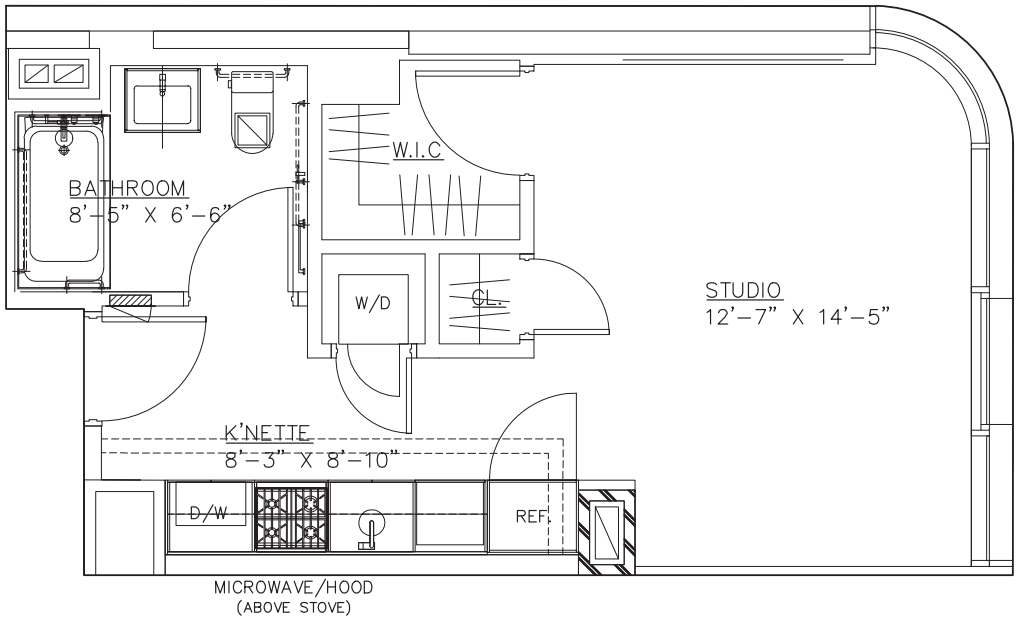


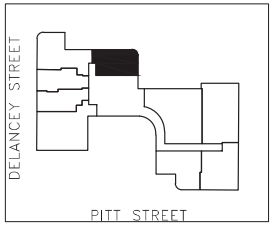
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #5E-6E

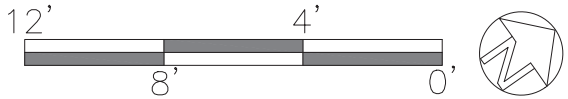
AREA: 459.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

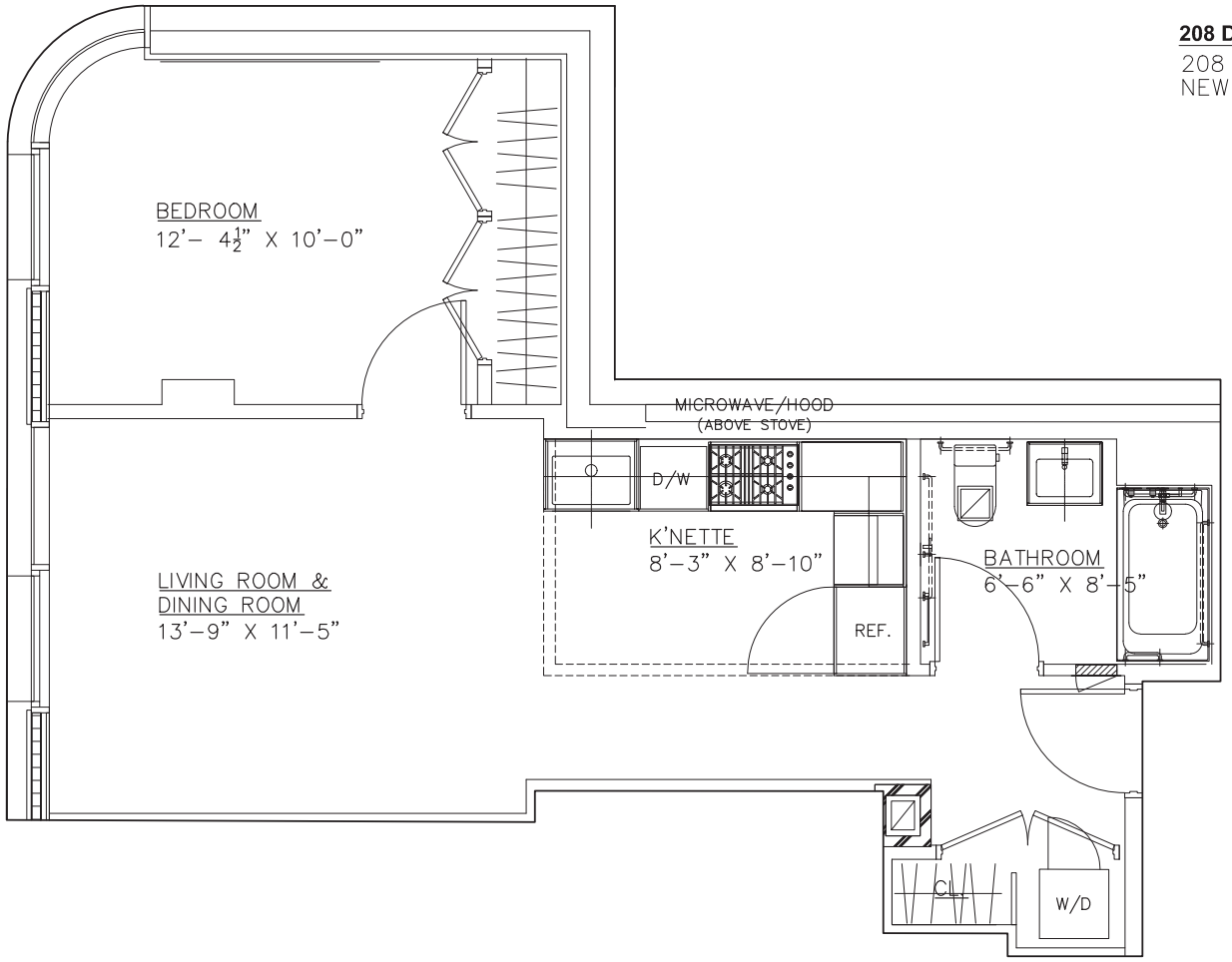


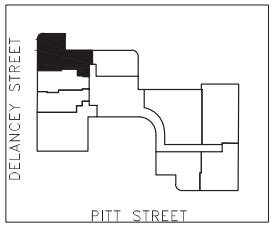
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #5F–6F

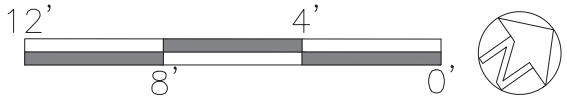
AREA: 639.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

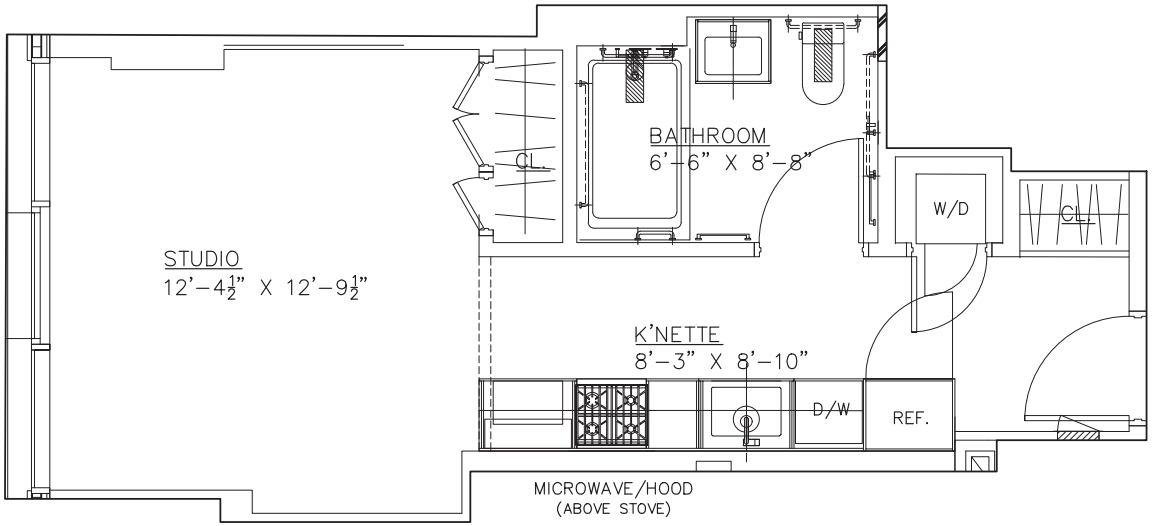


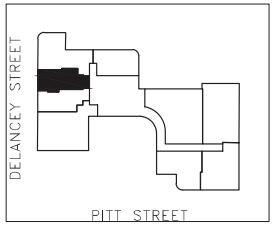
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
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RESIDENTIAL UNIT #5G-6G

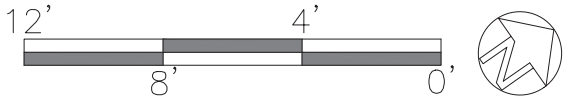
AREA: 406.1 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

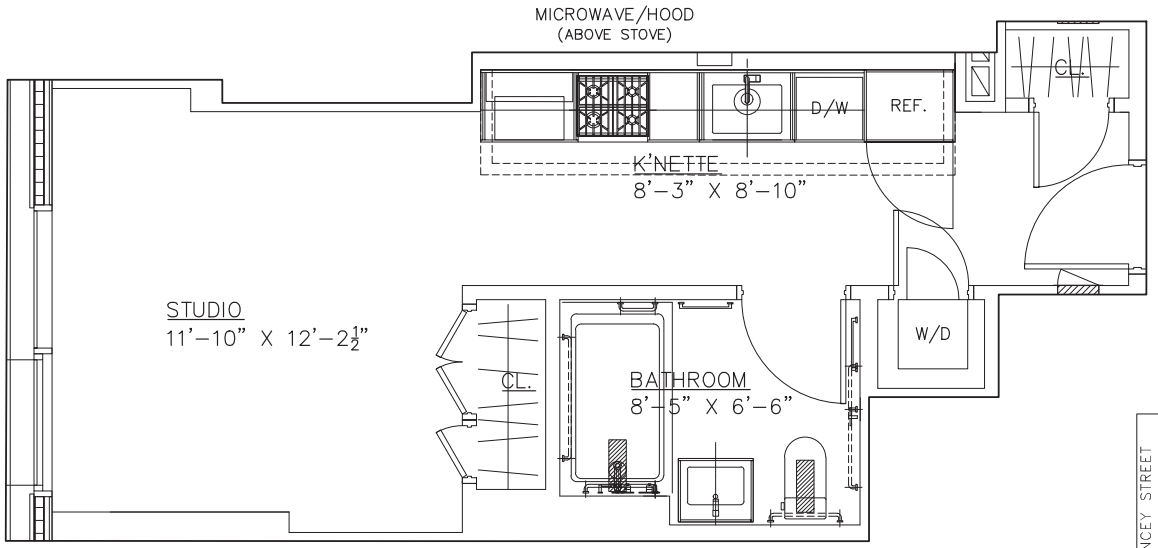


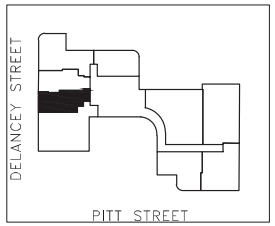
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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RESIDENTIAL UNIT #5H–6H

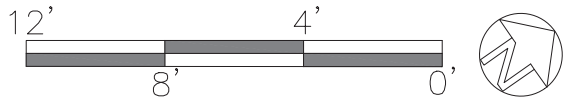
AREA: 387.9 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

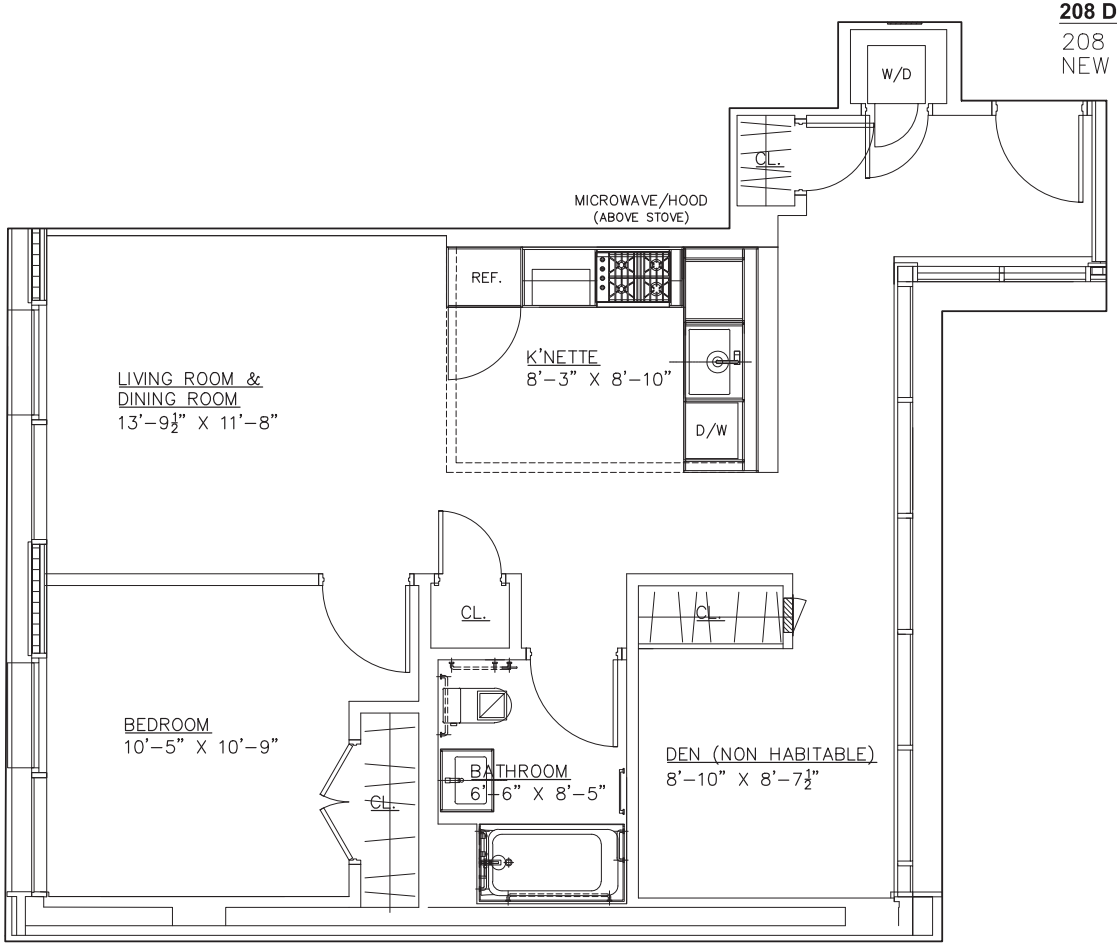


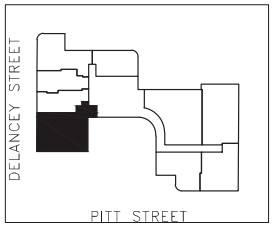
S M TAM ARCHITECT, PLLC
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RESIDENTIAL UNIT #51-61

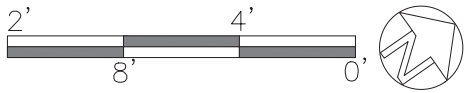
AREA: 858.9 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

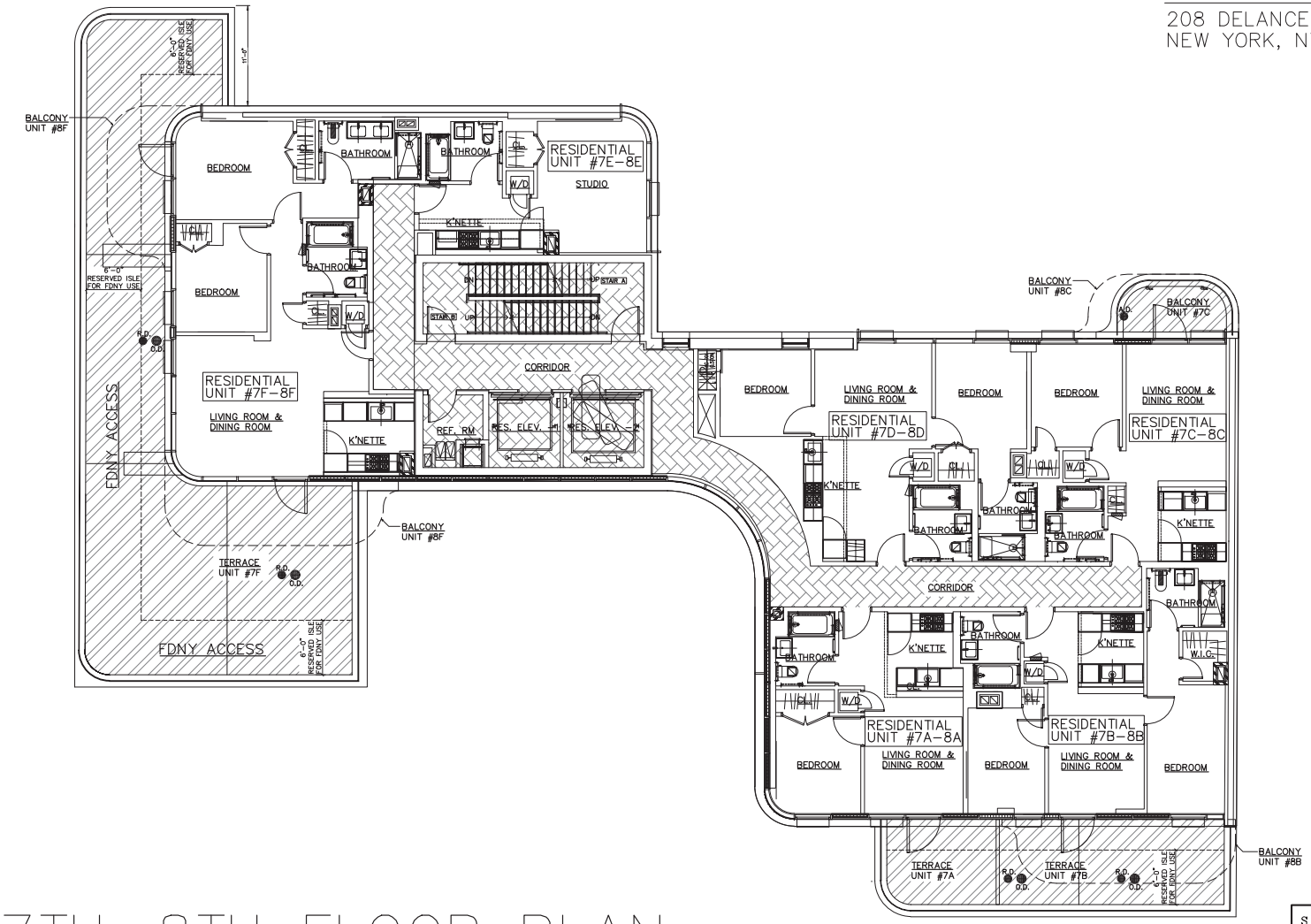


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5816 Fort Hamilton Parkway, Units M1,
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NEW YORK, NY 10002



7TH–8TH FLOOR PLAN

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

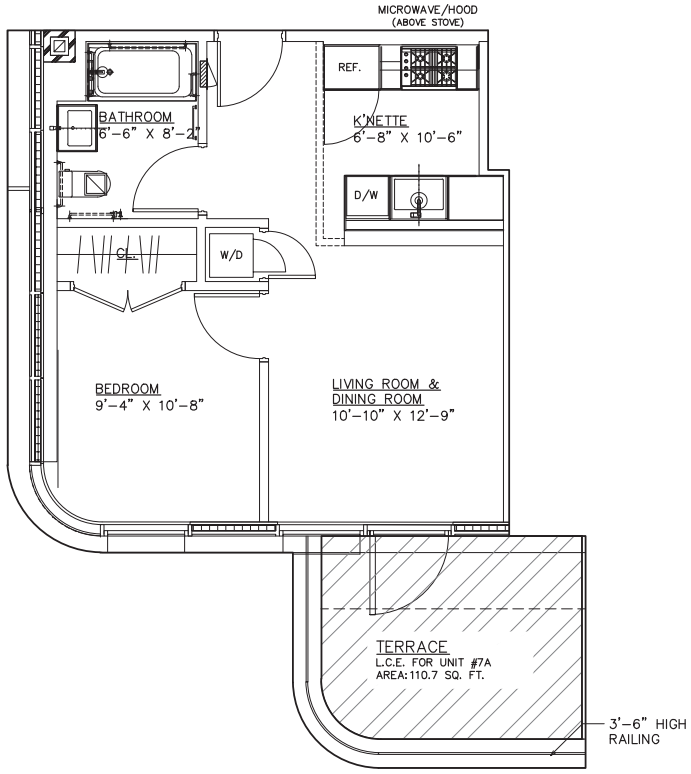
LEGEND
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

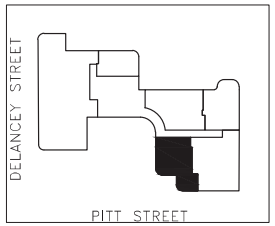
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #7A–8A

AREA: 501.2 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

RESIDENTIAL LIMITED COMMON ELEMENT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

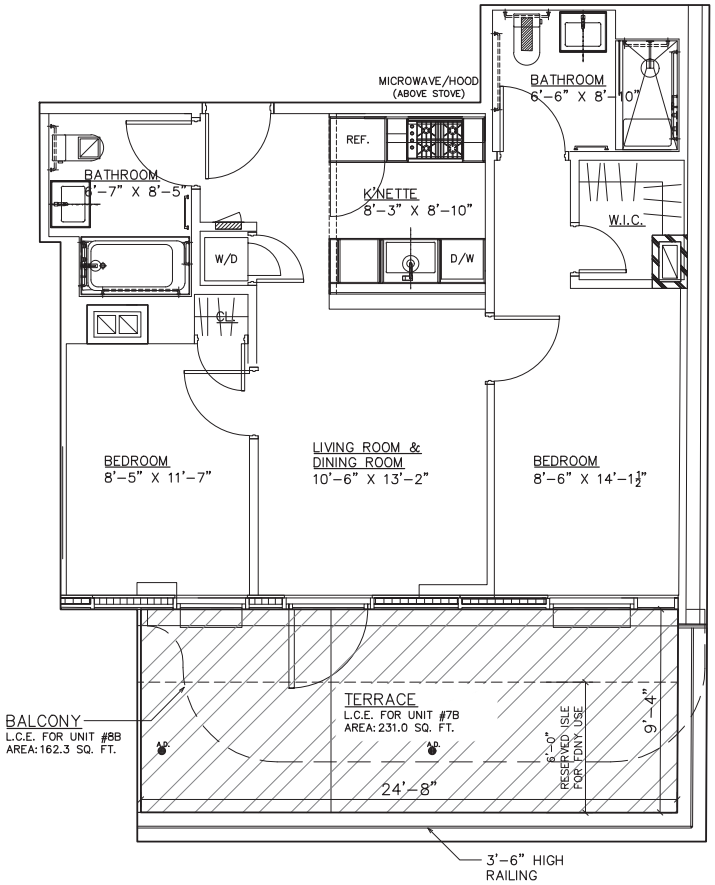
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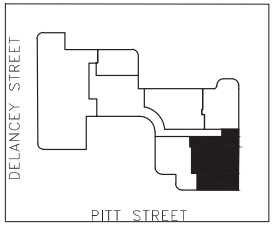
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY CONDOMINUM

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RESIDENTIAL UNIT #7B–8B

AREA: 742.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

RESIDENTIAL LIMITED COMMON ELEMENT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

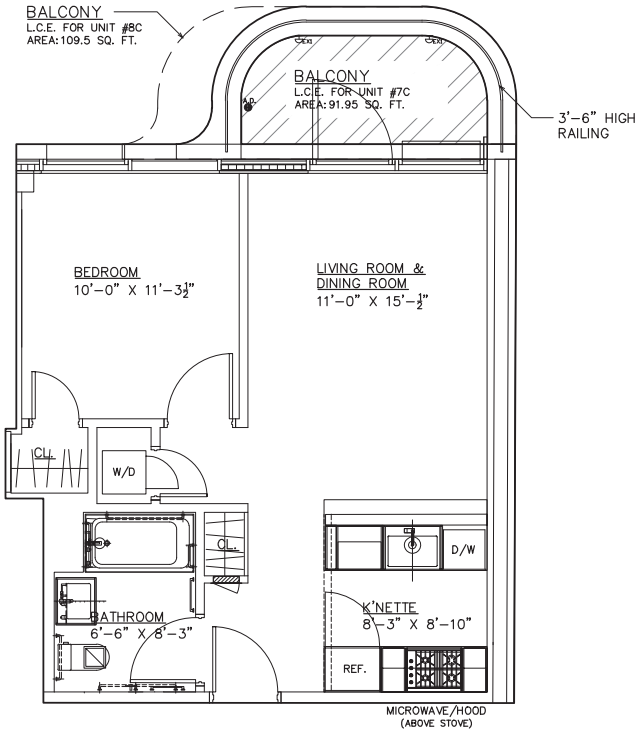
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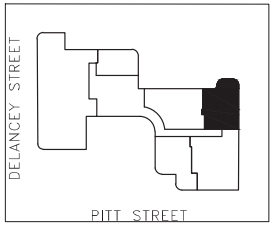
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #7C–8C

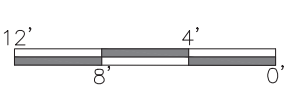
AREA: 575.9 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

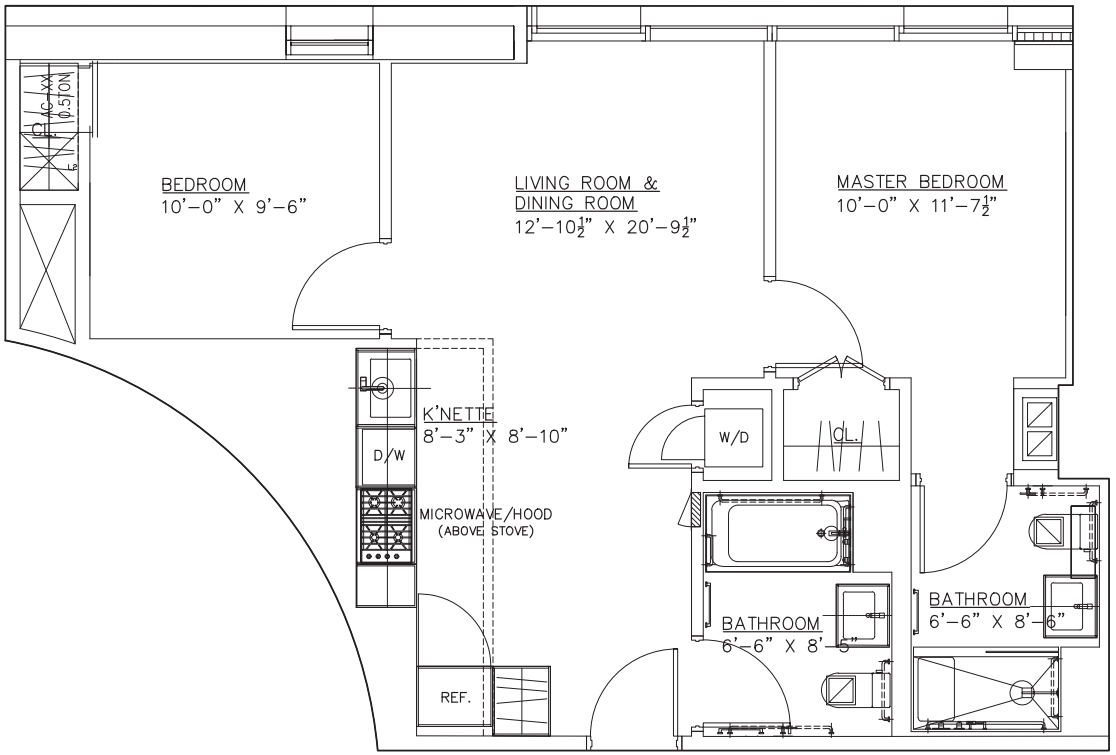


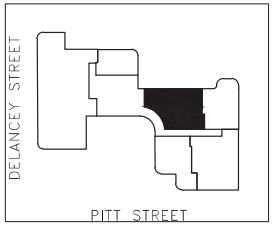
S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
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REVISION DATE: 09/18/2020
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #7D-8D

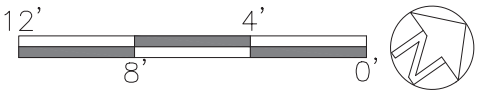
AREA: 804.7 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

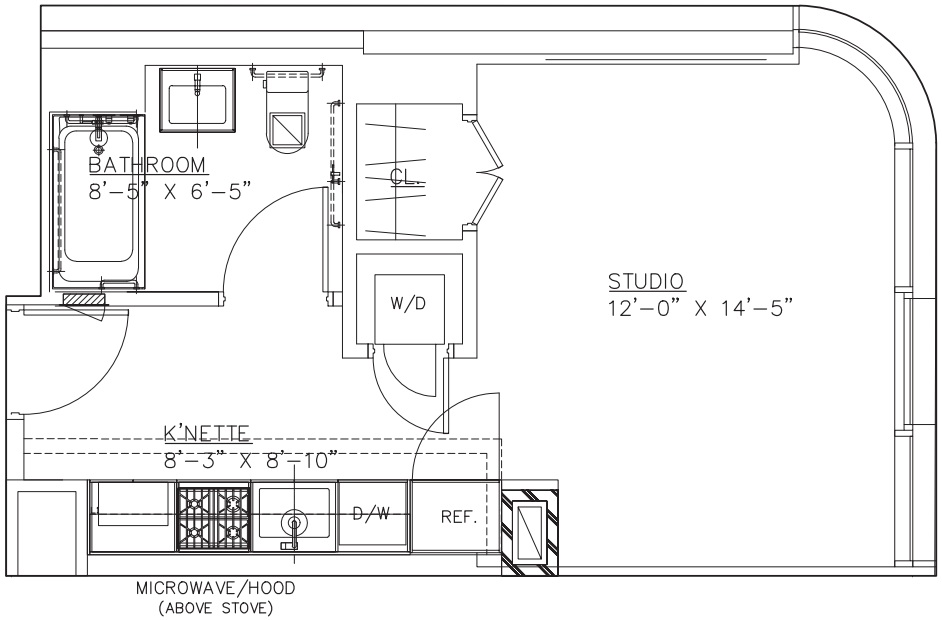


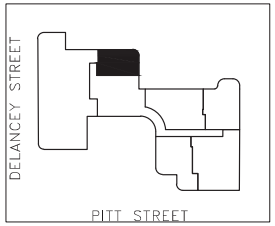
S M TAM ARCHITECT, PLLC
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5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY CONDOMINUM

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RESIDENTIAL UNIT #7E-8E

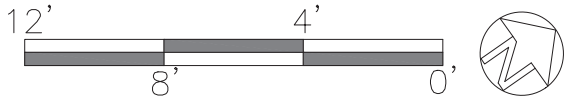
AREA: 432.3 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

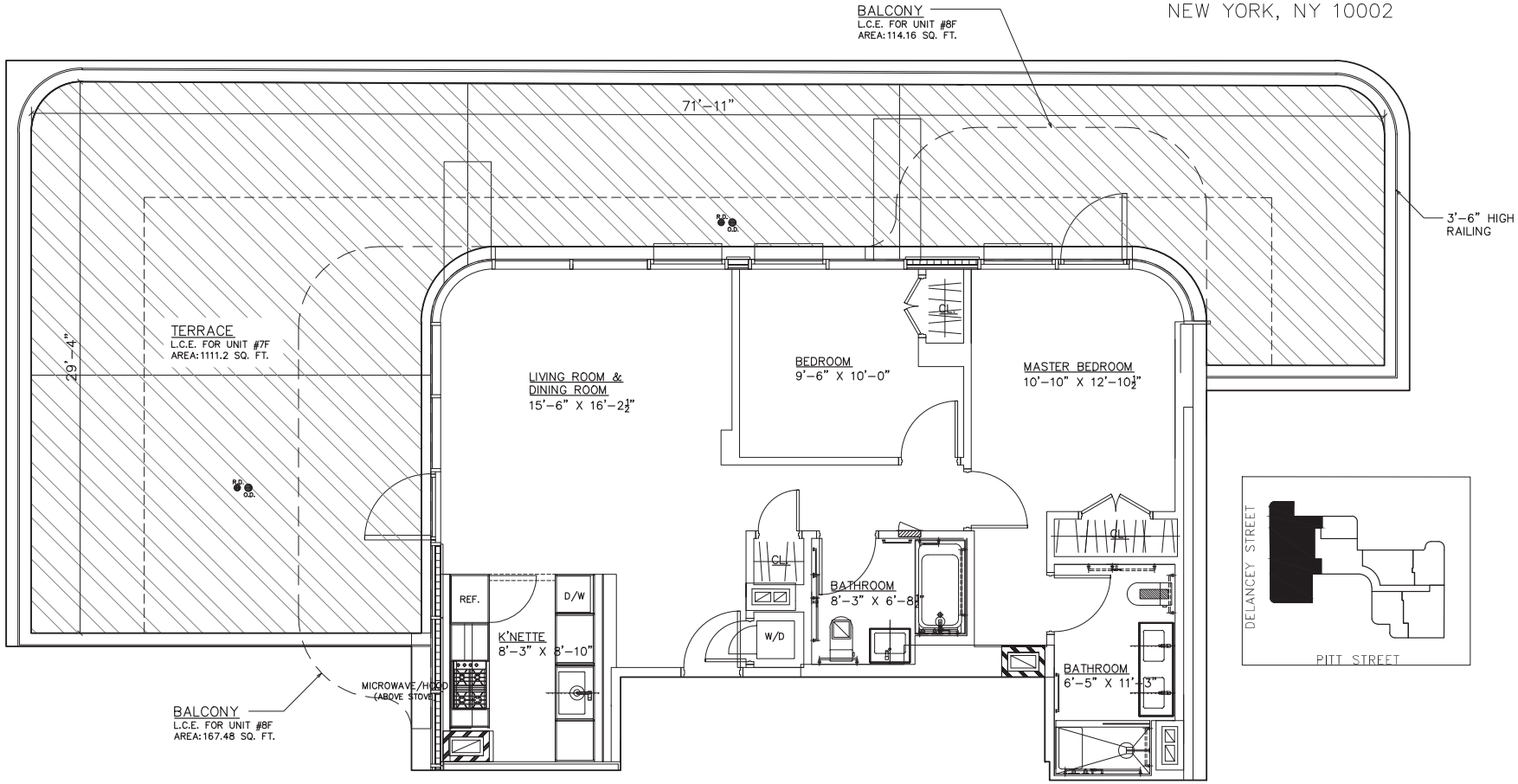


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ARCHITECTS & ENGINEERS
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002



RESIDENTIAL UNIT #7F–8F

AREA: 1004.2 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

RESIDENTIAL LIMITED COMMON ELEMENT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

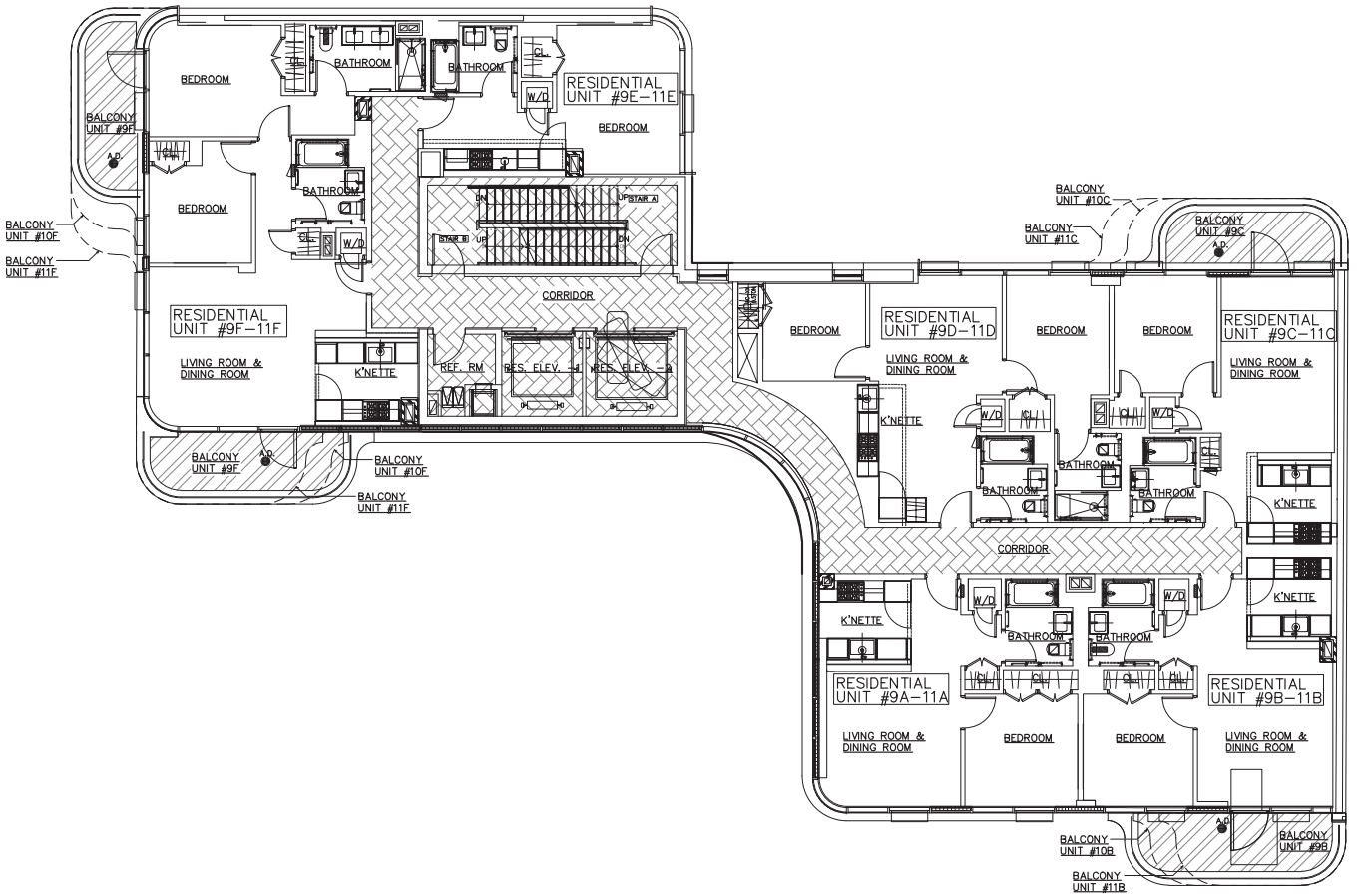


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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002



9TH–11TH FLOOR PLAN

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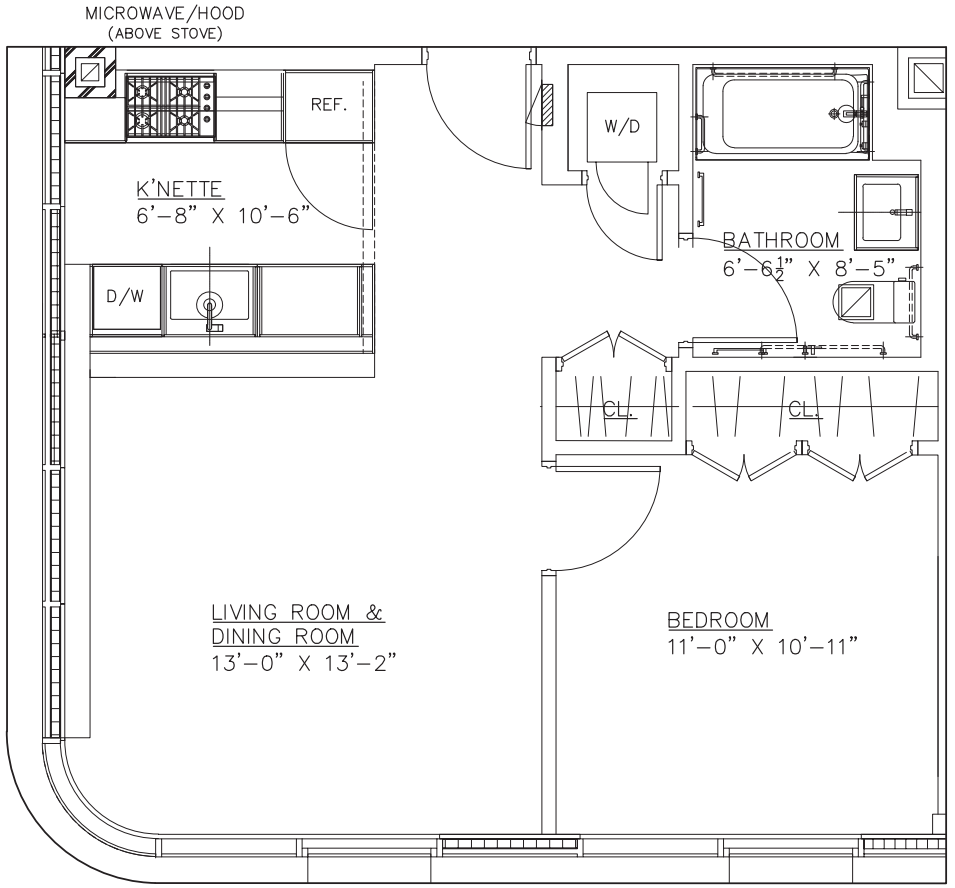
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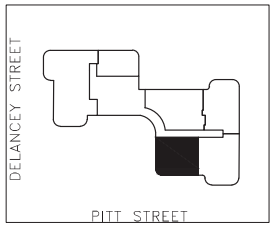
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

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REVISION DATE: 09/18/2020
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208 DELANCEY CONDOMINUM
208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #9A-11A

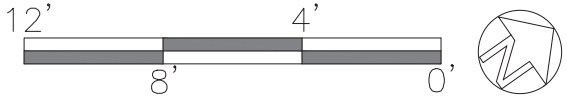
AREA: 597.8 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

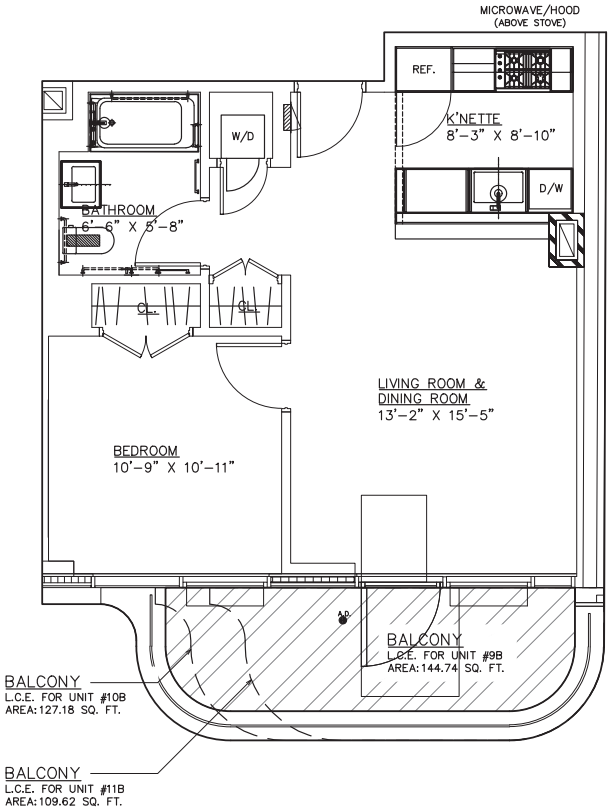


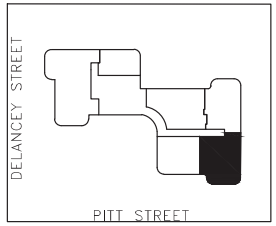
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002





RESIDENTIAL UNIT #9B–11B

AREA: 621.0 SQ. FT.

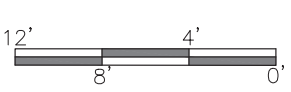
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LEGEND

RESIDENTIAL UNIT

RESIDENTIAL LIMITED COMMON ELEMENT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

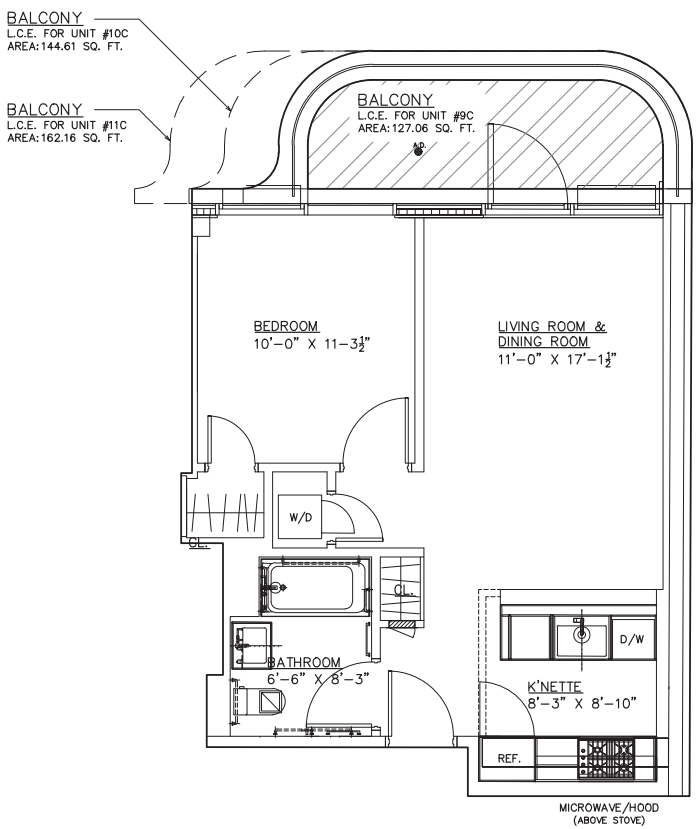


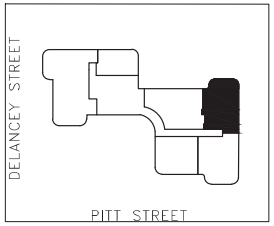
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #9C–11C

AREA: 596.5 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

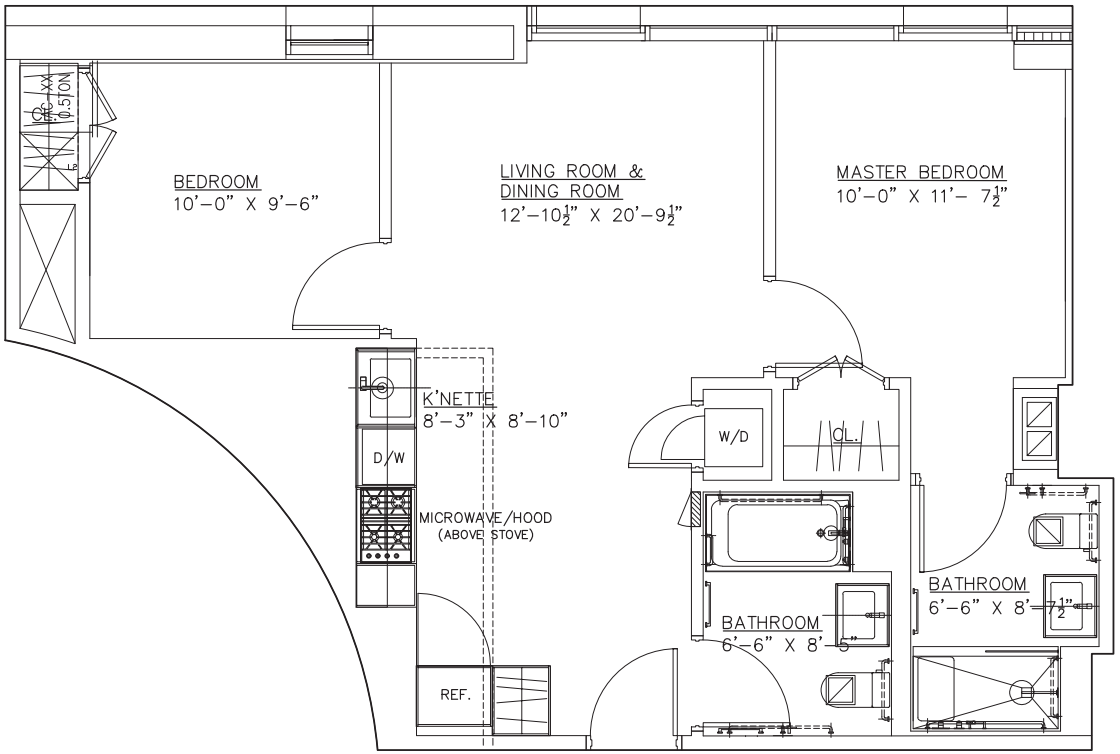
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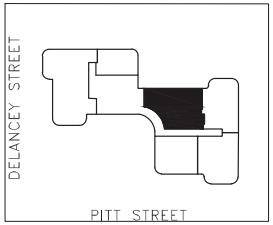
S M TAM ARCHITECT, PLLC
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #9D–11D

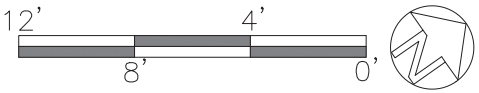
AREA: 801.3 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

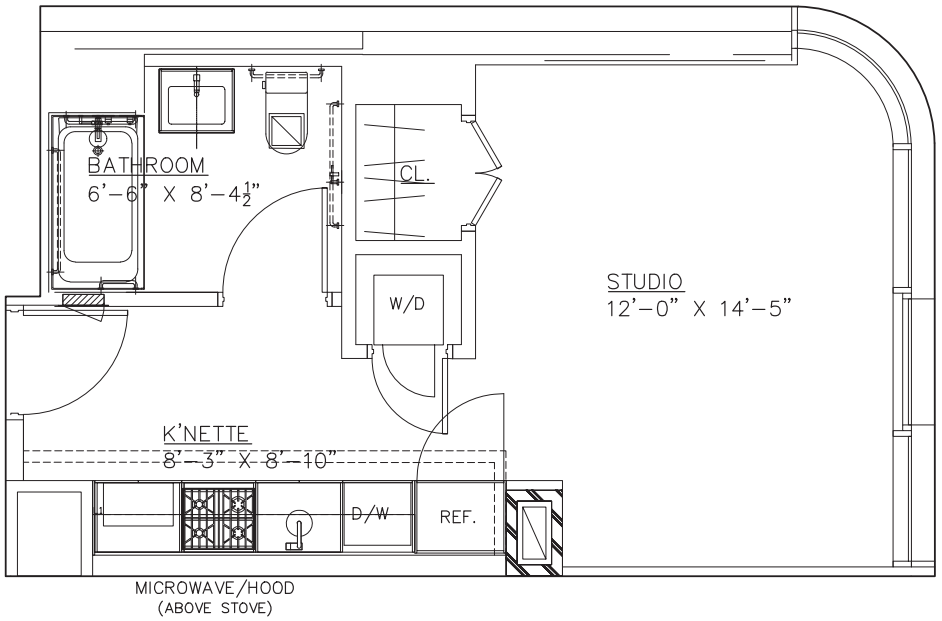


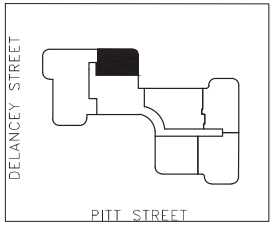
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
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208 DELANCEY CONDOMINUM

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NEW YORK, NY 10002





RESIDENTIAL UNIT #9E–11E

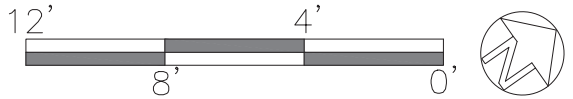
AREA: 432.2 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

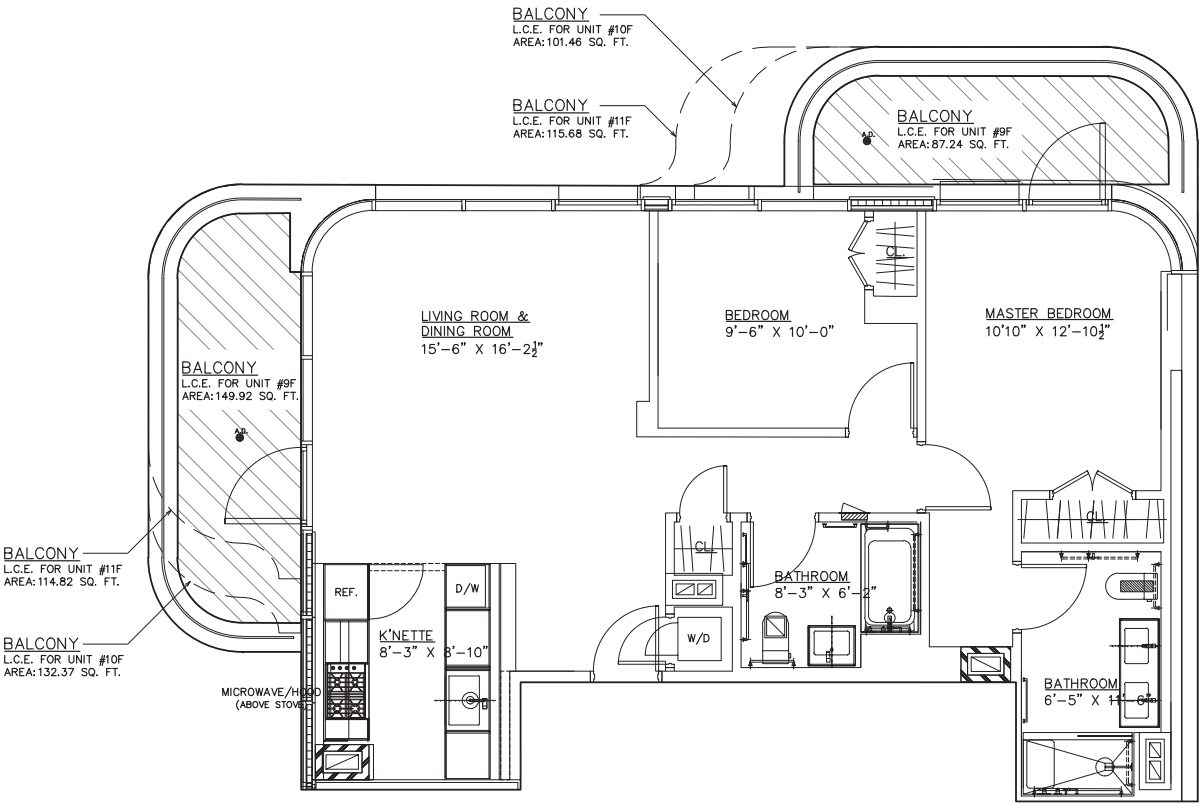


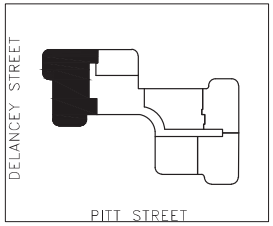
S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #9F–11F

AREA: 1041.2 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

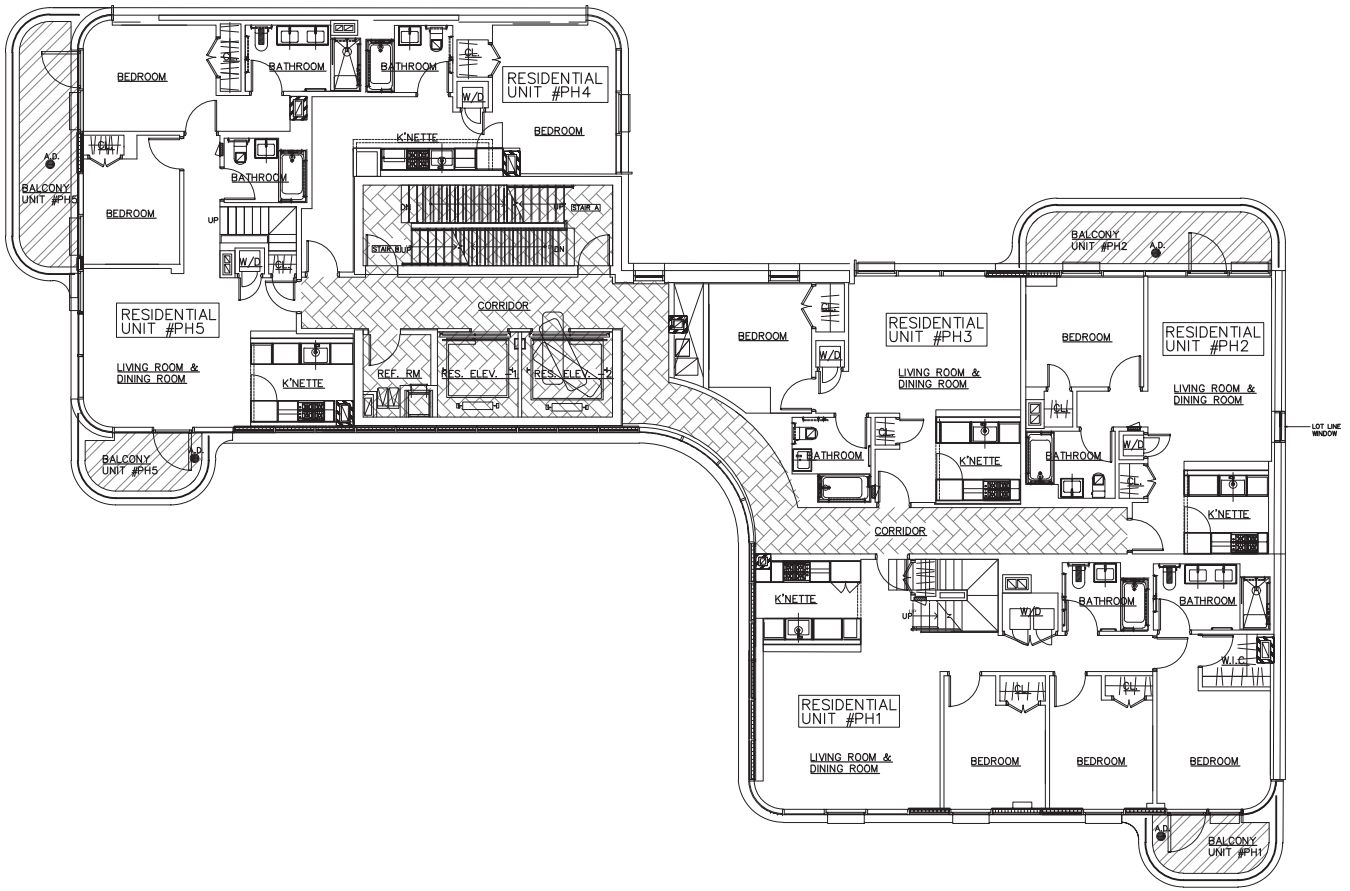


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REVISION DATE: 09/18/2020
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NEW YORK, NY 10002



PENTHOUSE FLOOR PLAN

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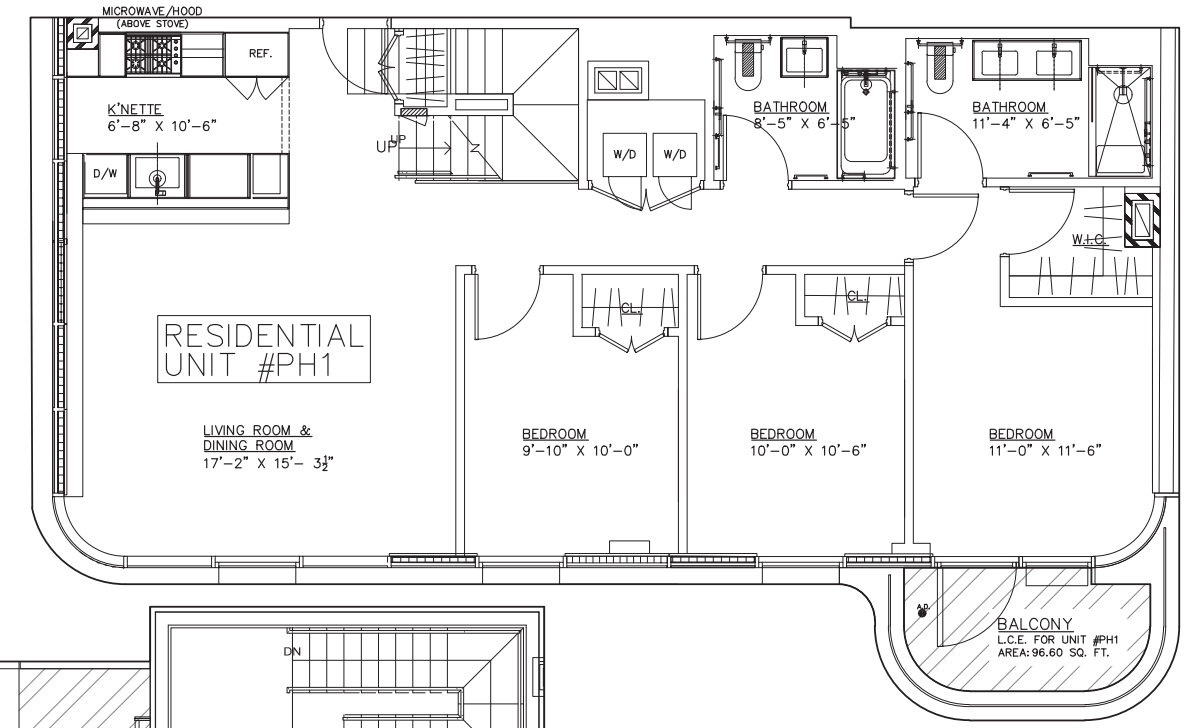


LEGEND

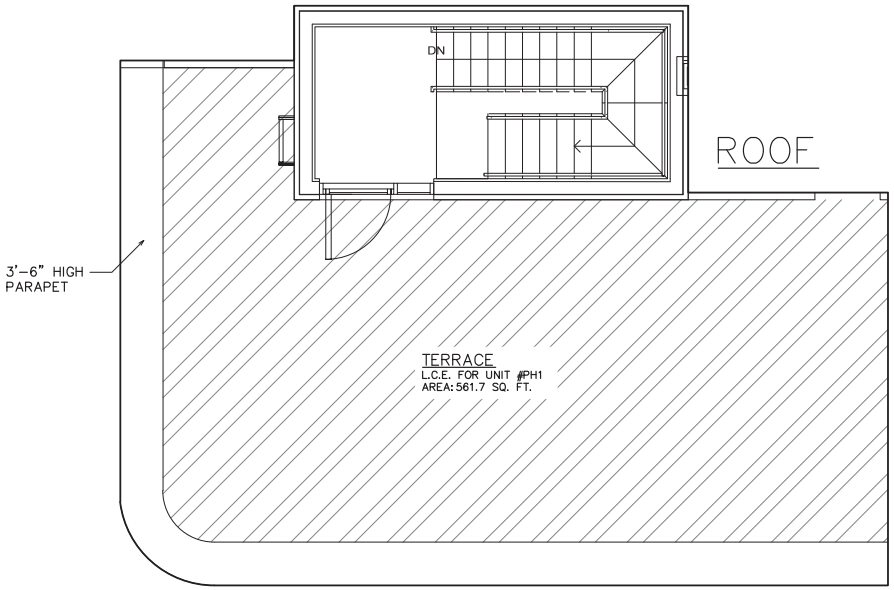
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

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ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
Tel: 718-765-1122 Fax: 718-765-0813

REVISION DATE: 09/18/2020
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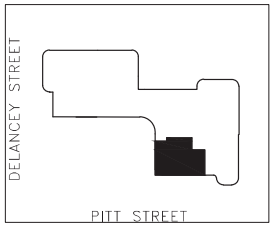
PENTHOUSE FLOOR



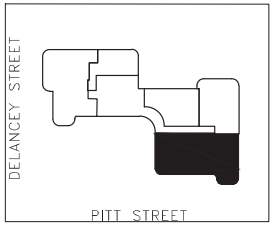
208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002

ROOF



12TH FLOOR



RESIDENTIAL UNIT #PH1

AREA: 1289.4 SQ. FT.

LEGEND

- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT

W.I.C.	WALK IN CLOSET
C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

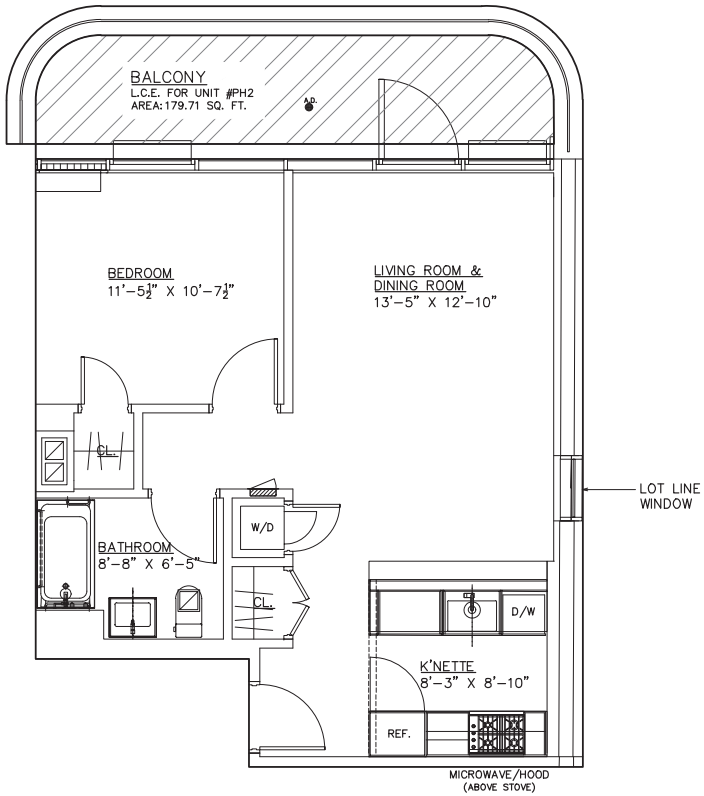
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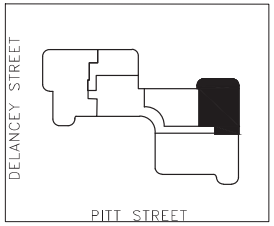
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ARCHITECTS & ENGINEERS
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208 DELANCEY CONDOMINUM

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RESIDENTIAL UNIT #PH2

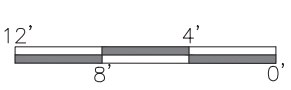
AREA: 671.4 SQ. FT.

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LEGEND

RESIDENTIAL UNIT
RESIDENTIAL LIMITED COMMON ELEMENT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

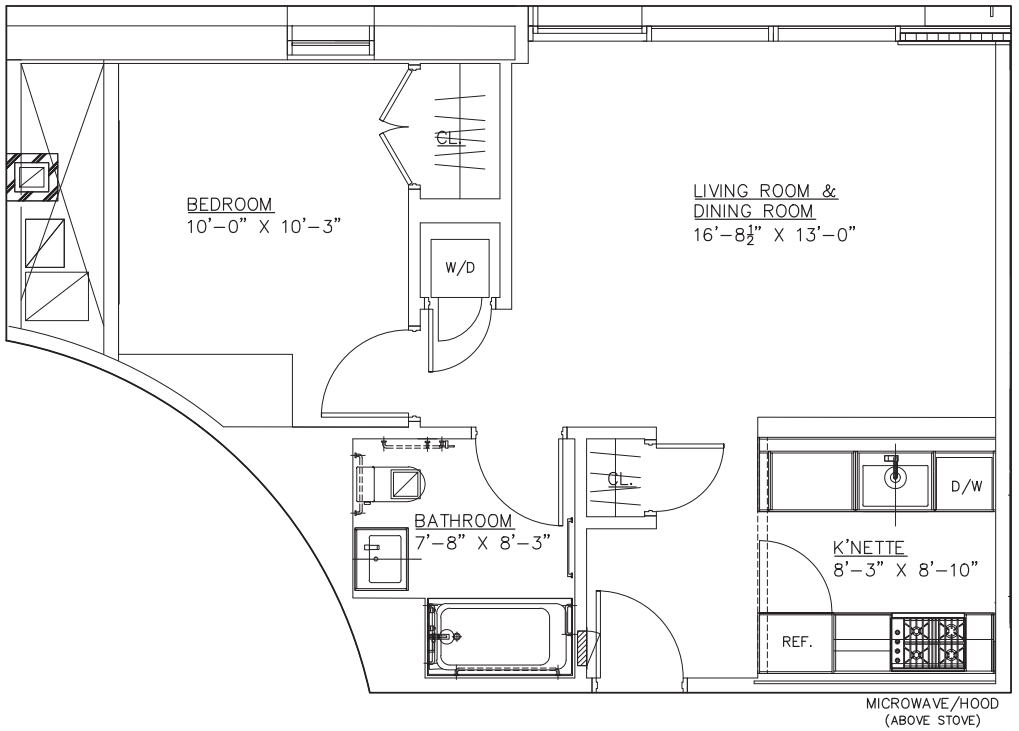


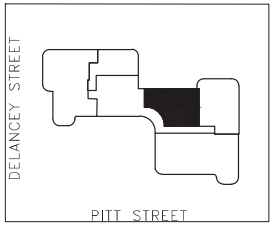
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
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RESIDENTIAL UNIT #PH3

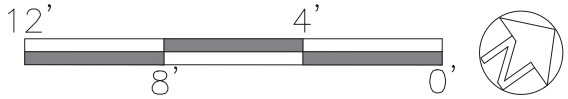
AREA: 655.3 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

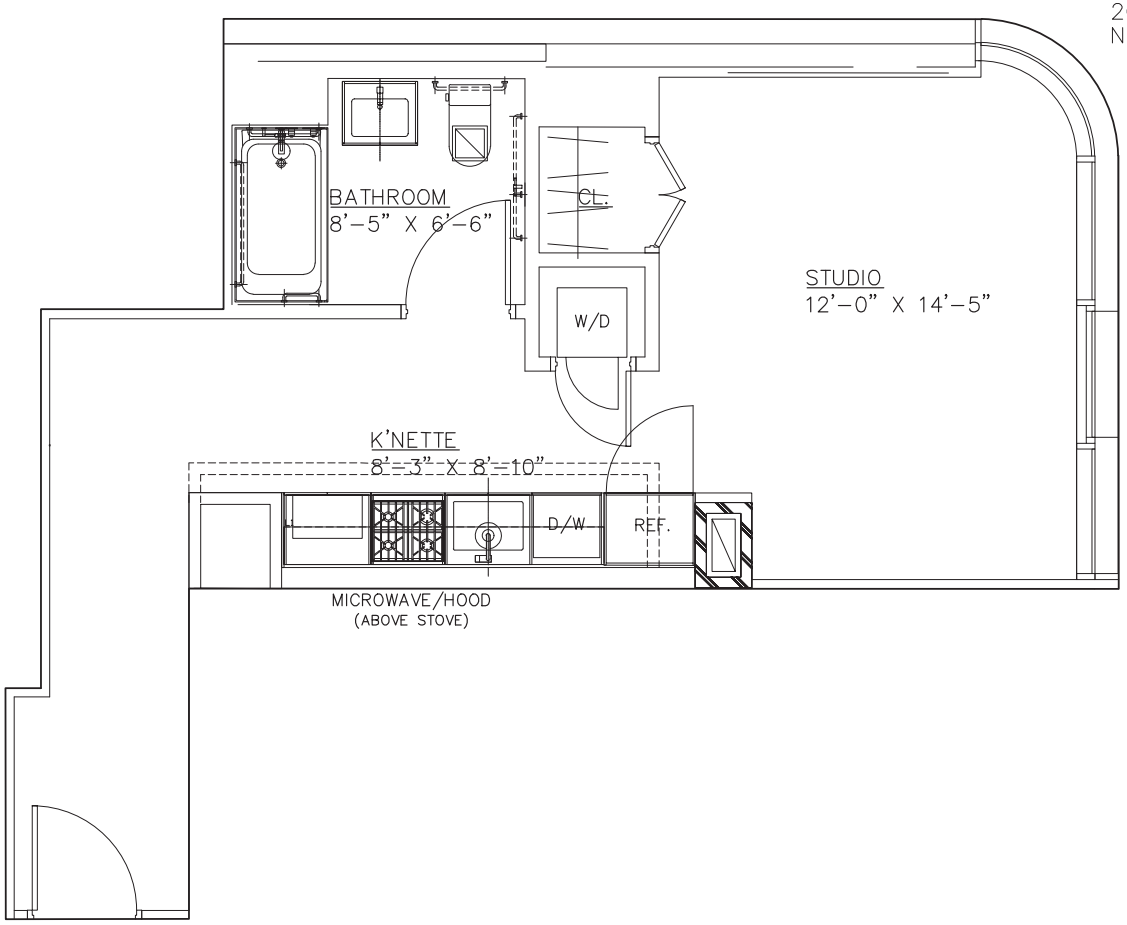


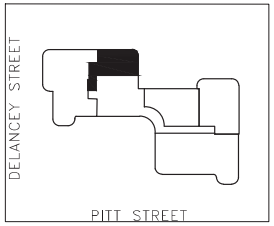
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208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002





RESIDENTIAL UNIT #PH4

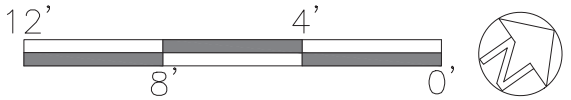
AREA: 519.6 SQ. FT.

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LEGEND

RESIDENTIAL UNIT

C.L.	CLOSET
D/W	DISHWASHER
W/D	WASHER/DRYER
REF.	REFRIGERATOR

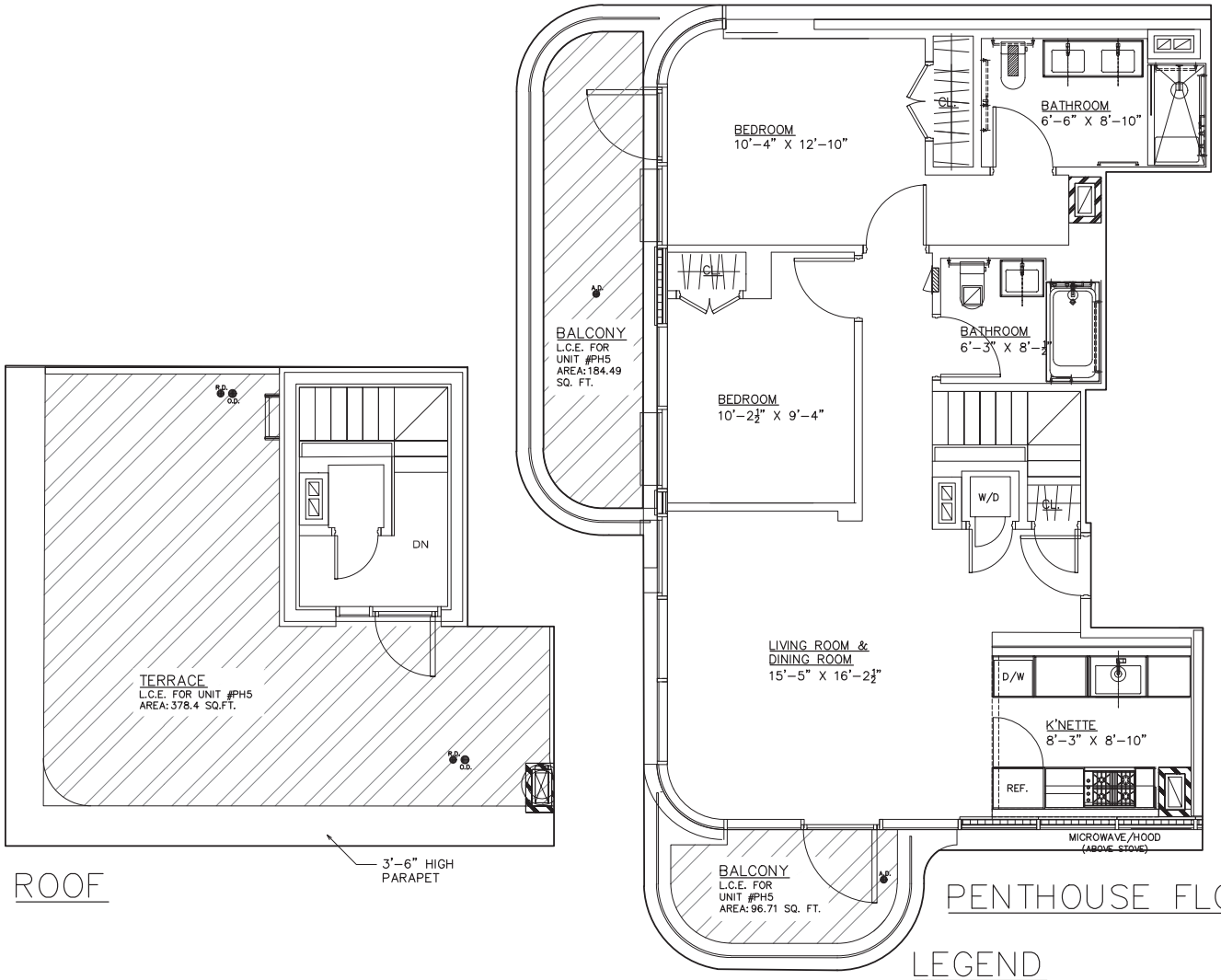


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208 DELANCEY CONDOMINUM

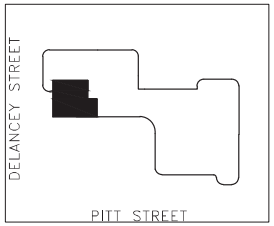
208 DELANCEY STREET
NEW YORK, NY 10002



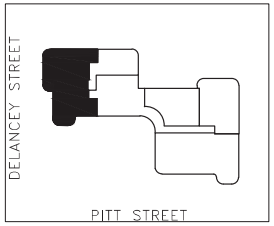
ROOF

PENTHOUSE FLOOR

ROOF



12TH FLOOR



RESIDENTIAL UNIT #PH5

AREA: 1026.6 SQ. FT.

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.

LEGEND

RESIDENTIAL UNIT

RESIDENTIAL LIMITED COMMON ELEMENT

C.L. CLOSET
D/W DISHWASHER
W/D WASHER/DRYER
REF. REFRIGERATOR

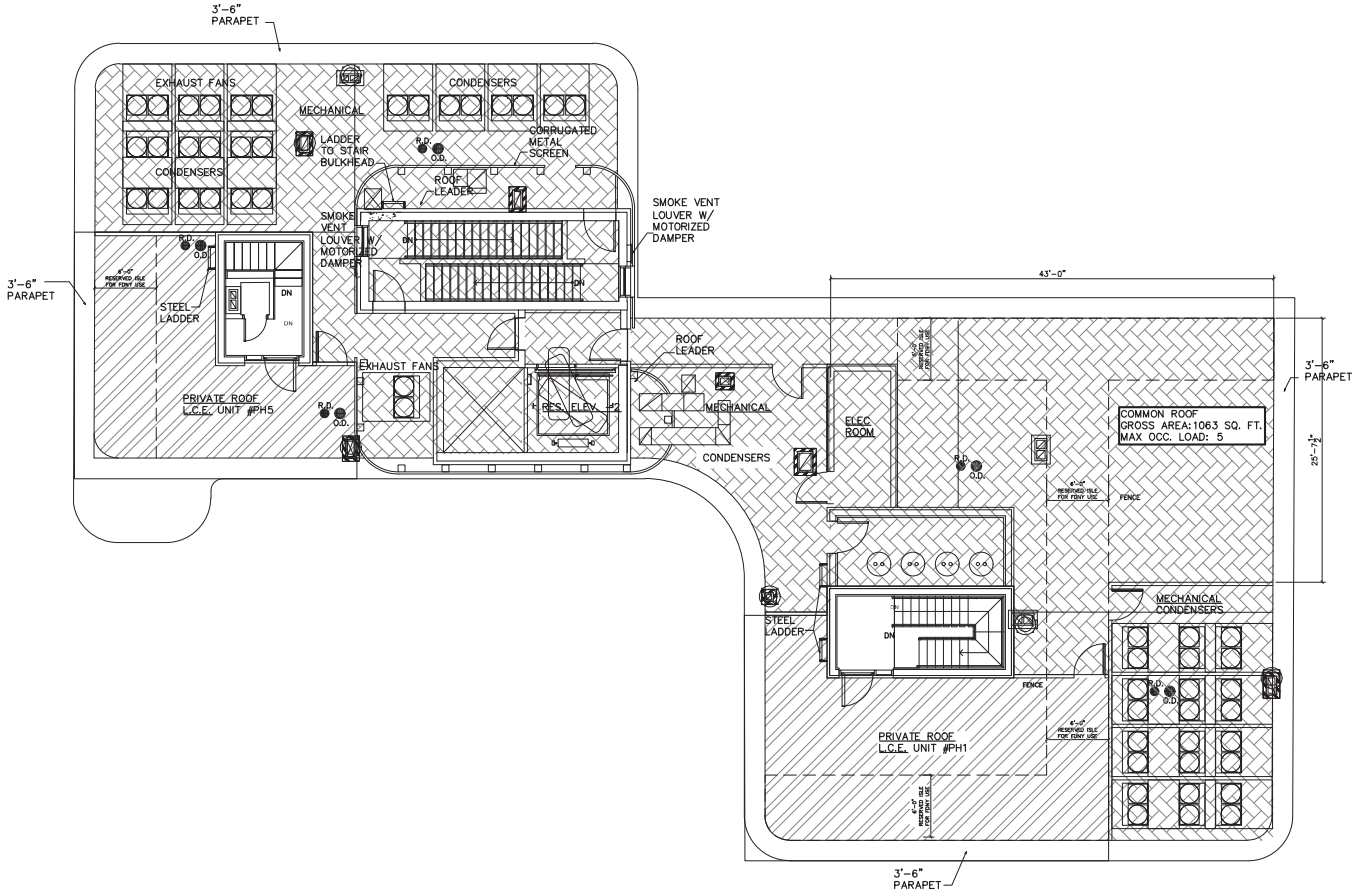
12' 4' 8' 0'

S M TAM ARCHITECT, PLLC
ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1,
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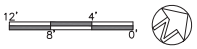
208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002



ROOF PLAN

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.



LEGEND

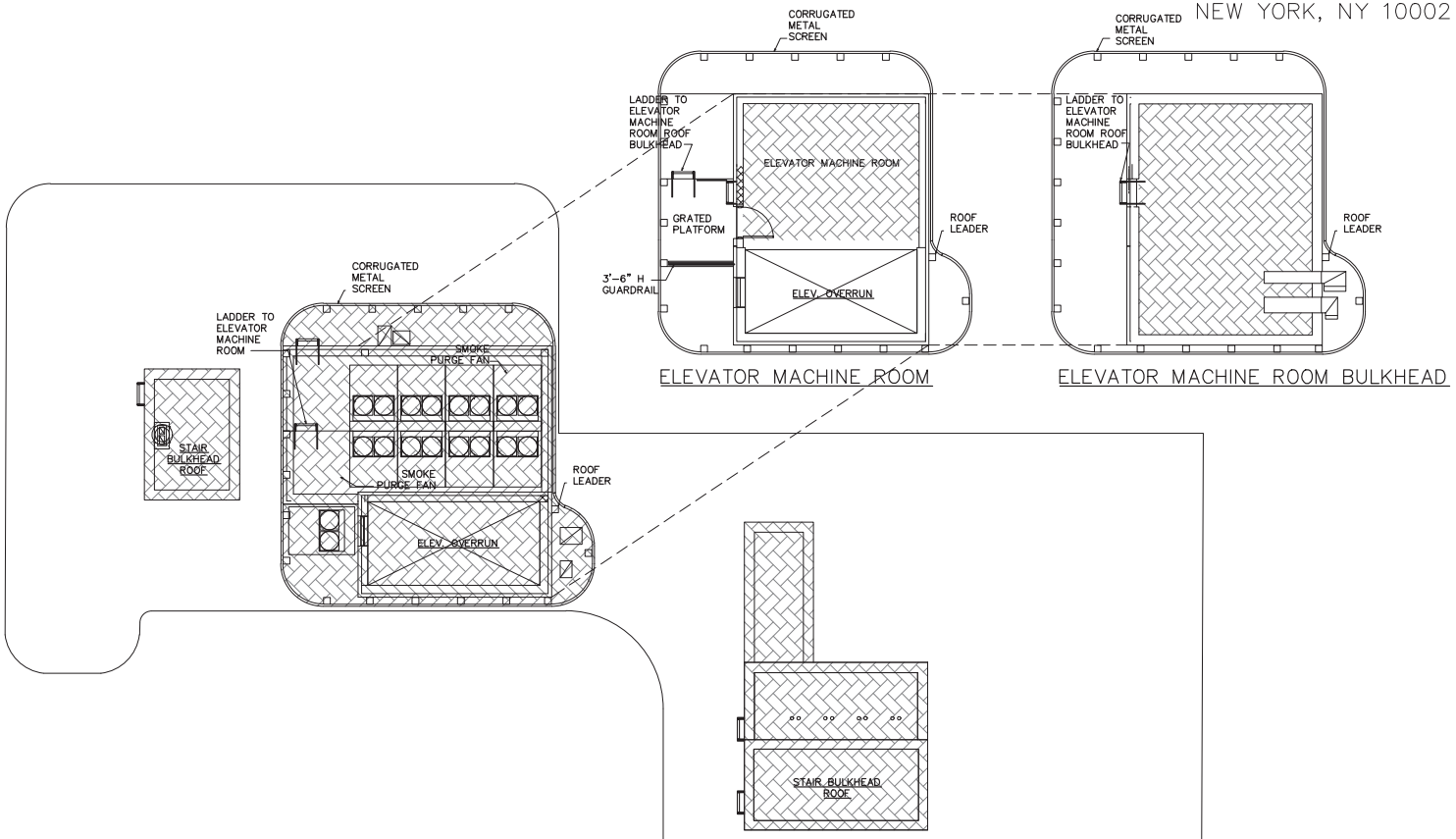
- RESIDENTIAL UNIT
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- GENERAL COMMON ELEMENT

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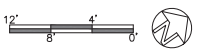
208 DELANCEY CONDOMINUM

208 DELANCEY STREET
NEW YORK, NY 10002



ELEVATOR MACHINE ROOM/BULKHEAD PLAN

All square footages, dimensions and depictions of column, wall and shaft widths and locations are approximate and may change due to field conditions, construction variances and tolerances. Sponsor reserves the right to make changes in accordance with the Offering Plan.



LEGEND
- RESIDENTIAL UNIT
- RESIDENTIAL LIMITED COMMON ELEMENT
- GENERAL COMMON ELEMENT

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ARCHITECTS & ENGINEERS
5816 Fort Hamilton Parkway, Units M1, Brooklyn, NY 11219
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REVISION DATE: 09/18/2020
INITIAL FILING DATE: 11/17/2019

PURCHASE AGREEMENT

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PURCHASE AGREEMENT

NERE LI DEVELOPMENT LLC

Sponsor

With

Purchaser

Residential Unit Number _____

208 DELANCEY CONDOMINIUM
208 DELANCEY STREET
NEW YORK, NEW YORK 10002

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PURCHASE AGREEMENT

UNIT NUMBER _____

208 DELANCEY CONDOMINIUM
208 DELANCEY STREET
NEW YORK, NEW YORK 10002

AGREEMENT, made as of _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for 208 Delancey Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except where such provisions were requested by Purchaser and agreed to by Sponsor. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means NERE LI Development LLC, having an address at 4918 3rd Avenue, Brooklyn, New York 11220. Sponsor's taxpayer identification number is 82-2422033.

2.2. "Purchaser" means _____ having an address at _____, _____, _____.

2.3 "Attorneys for Sponsor" means Starr Associates LLP, having an address at 220 East 42nd Street, Suite 3302, New York, New York 10017; Attention: Samantha Sheeber, Esq. Telephone number: 212-620-2682. Fax number: (212) 696-5013. E-mail address: ssheeber@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (_____) _____. Fax number: (_____) _____. E-mail address: _____.

2.5 "Selling Agent" means Urban Compass Inc., d/b/a Compass, having an address at 90 Fifth Avenue, 3rd Floor, New York, New York 10011. Telephone number: 212-941-8420.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorneys for Sponsor.

2.8 "Title Company" means KCT Abstract LLC, having an address at 9 Elizabeth Street, 2nd Fl., New York, New York 10013. Telephone number: 212-528-3338.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit designated as Residential Unit _____ in the Declaration, ("Residential Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Residential Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Residential Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price"), due upon the delivery of the deed to the Residential Unit.

4.2 Purchaser must deliver the payment of the Deposit or the Balance of the Purchase Price by official bank check unless Sponsor offers, in Sponsor's sole discretion, to accept a wire transfer. Any wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser. All instruments (a) in payment of any Deposit shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan, as applicable, or (b) in payment of the Balance of the Purchase Price shall be made payable directly to the order of NERE LI Development LLC or wired to one or more accounts as directed by Sponsor. All instruments are accepted by Sponsor subject to collection. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under this Agreement, rendering this Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under this Agreement and the Residential Unit may be sold to another as though this Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under this Agreement, entitling Sponsor, at its option, to exercise the remedies set forth in section 13 hereof. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

5. DEPOSITS TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards a Deposit shall be delivered to Escrow Agent and shall be held in accordance with the section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule D and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under this Agreement. In the event Sponsor cannot convey title to the Residential Unit to Purchaser by reason other than Purchaser's default, all Deposits shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorneys for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Residential Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Residential Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS §1445 as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the

conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to Attorneys for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Residential Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Residential Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Residential Unit if it is a lien, or will not be enforced against the Residential Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Attorneys for Sponsor written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of section 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Residential Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subsection, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subsection shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Residential 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) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Residential Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Residential Unit.

9.2 If the Residential Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Residential Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Residential Unit. In addition, Purchaser shall pay the Residential Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Residential Unit Owner) unless Sponsor obtains a refund or credit as provided in subsection 9.3 below.

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Residential 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 Residential Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to a Unit on the originally scheduled Closing Date subject to Sponsor's rights under subsection 13.2 of this Agreement, (a) the Closing apportionments described in subsection 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Units by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Residential Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

10.1 In the event a mortgage recording tax credit becomes available pursuant to section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10.2 In the event that (i) Sponsor is ineligible for a mortgage recording tax credit, (ii) Purchaser obtains mortgage financing and (iii) Sponsor has an outstanding mortgage at the time of Closing, then, as more particularly described in the section of the Plan entitled "Closing Costs and Adjustments," Purchaser shall (x) advise its lender of this provision and make a good faith effort to cooperate with Sponsor and Sponsor's lender to facilitate a partial assignment of Sponsor's mortgage to Purchaser's lender, and (y) cause its title company (if such title company is different from the Title Company named in the Plan) to cooperate with Sponsor's Title Company in effectuating and keeping record of the partial mortgage assignments.

11. CLOSING COSTS

In addition to those costs and adjustments described in sections 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Residential Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Residential Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Residential Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Residential Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of, the Additional Deposit, the Balance of the Purchase Price, or

any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Residential Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's filing a voluntary petition in bankruptcy; or

(vi) 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

(vii) if a judgment or tax lien is or has been filed against Purchaser and Purchaser does not pay or bond the judgment or lien as and when demanded by Sponsor; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Residential Unit for sale or rental with any broker, placing or authorizing any listing of the Residential Unit for sale in any broker's listing system or any other listing service or advertising, or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or rental without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Residential Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's performance of any of its obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel this Agreement. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the Event of Default. If the Event of Default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall have the right to retain, as and for liquidated damages (a) the Deposit together with any interest earned thereon and (b) Special Work Funds, if any, to the extent expended.

Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Residential Unit may be sold to another as though this Agreement had never been made, without any obligation to account to Purchaser for any of the proceeds of such sale, except that Sponsor shall be entitled to retain the Deposit and any Special Work Funds (to the extent they have been expended by Sponsor). In the event special work has been commenced and there is an Event of Default, Sponsor shall be entitled to commence an action against Purchaser to recover the cost of restoration of the Residential Unit to its condition prior to the performance or installation of any special work, but only to the extent actually incurred by Sponsor.

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any

reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all Deposits, together with any interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Residential Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Residential Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e. to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Residential Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. CONSTRUCTION

17.1 The construction of the Building and the Residential Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications, subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a PCO for the Building shall be deemed presumptive evidence that the Building and the Residential Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Residential Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Terms of Sale" in Part I of the Plan. As a result, if all such prerequisites are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow), notwithstanding any construction items noted on the Inspection Statement (as herein defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building or the Residential Unit.

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the section of the Plan entitled "Terms of Sale." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of Building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Residential 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 Residential Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise 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 later than the projected date or the time to complete or to close title to the Residential Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Initial Closing Notice (as such term is defined in section 6 above), Purchaser shall arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Initial Closing Notice. Purchaser is expressly prohibited from conducting any testing to the Unit during the inspection for any reason, 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. Only Purchaser or Purchaser's duly authorized agent shall be entitled to attend such inspection, who shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection, and in no event shall the inspection exceed two (2) hours in duration. Failure of Purchaser to arrange and/or attend the appointment for the inspection of the Unit in accordance with the terms hereof and/or to sign the Inspection Statement shall not excuse Purchaser from Closing Title to the Unit on the scheduled Closing Date and otherwise performing its obligations under this Agreement (including without limitation paying the Balance of the Purchase Price at Closing). Failure of Purchaser either to arrange and/or attend the appointment for the inspection of the Unit in accordance with the terms of hereof shall constitute Purchaser's full acceptance of the Unit "as is." However, nothing herein shall relieve Sponsor of its obligations as set forth in the section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor as agreed in writing and shall not be grounds for delaying the Closing. Purchaser will be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Residential Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any work set forth on the Inspection Statement.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Residential Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Residential Unit by fire or other casualty until the earlier of Closing of Title or possession of the Residential Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Residential Unit. If Sponsor elects to repair or restore the Residential Unit (which election shall be made within sixty (60) days of the damage to the Residential Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Residential Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Residential Unit (which election shall be made within sixty (60) days of the damage to the Residential Unit), or, if the Declaration has been recorded prior thereto, the Residential Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits delivered pursuant to this Agreement, together with interest earned thereon, if any, within thirty (30) business days of Sponsor's election not to repair or restore the Residential Unit or the Residential Unit Owners' resolution not to make such repairs or restoration, to Purchaser that it cannot convey title and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, promotional material, express or implied warranties, data statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Attorneys for Sponsor, or any other person, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Residential Unit, or the size or the dimensions of the Residential Unit or the rooms or amenities contained in the Residential Unit or Building or any other physical characteristics thereof, the services to be provided to Residential Unit Owners, the estimated Common Charges allocable to the Residential Unit, the estimated real estate taxes assessed against on the Residential Unit, the ability to rent the Residential Unit and/or the rental income that the Residential Unit can expect to generate, 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 Residential Unit, the impact, if any, of adjacent development near the Building or the Residential Unit or Purchaser's use and enjoyment of the Building or Residential Unit, or on any other data or with respect to any matter which might influence Purchaser's decision to execute this Agreement or purchase the Residential Unit, except as in this Agreement or in the Plan specifically represented. Purchaser specifically disclaims reliance upon any misrepresentations of fact that were alleged to have been made as an inducement to Purchaser to enter into this Agreement.

In making its determination to proceed with this transaction and purchase the Residential Unit, Purchaser has relied solely on Purchaser's own judgment, advisors, legal counsel and investigation in deciding to enter into this Agreement. No person has been authorized to make any representations on behalf of Sponsor except as in this Agreement or in the Plan specifically set forth, and Purchaser acknowledges that no such representations have been made. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation as to the work, timing of any work or completion of post-Closing items listed on Inspection Statements, materials, appliances, equipment or fixtures in the Residential Unit, the Common Elements, or any other part of the Property, including the amenities. Sponsor

makes no representation that 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, including the amenities or Residential Units, or set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of Residential Units that any such FFE will be located within any portion of the Building, including the amenities or Residential Units, other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Residential Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Residential Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this section shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Purchaser is prohibited for a period of twelve (12) months from the Closing of the Residential Unit from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale. The provisions of this section shall survive the Closing of Title.

22. BROKER

22.1 Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent or the Co-Broker, in connection with this transaction, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, whether arising as a result of litigation between the Purchaser and Sponsor or between a third party and Sponsor, including legal fees, costs and disbursements. The provisions of this section shall survive the Closing of Title.

22.2 Any commission due to Co-Broker in connection with this transaction shall only be due and payable at the Closing of Title to the Residential Unit.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that Purchaser complies with any and all assignment conditions imposed by Sponsor. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or Attorney for Purchaser. If this Agreement is not accepted within 30 days from the

delivery to Sponsor of this Agreement executed by Purchaser together with the Initial Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed rejected and cancelled and all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Residential Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to Attorneys for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, three (3) days after the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both the Selling Agent and Attorneys for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. FORCE MAJEURE

In the event that any obligation or undertaking required by Sponsor under this Agreement (including, without limitation, any fully-executed rider attached to this Agreement) is prevented, delayed or hindered by Force Majeure, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the duration of the Force Majeure and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under this Agreement. However, none of Purchaser's rights under the applicable regulations promulgated by the Attorney General, Article 23 of the General Business Law or under the Plan shall be abridged by virtue of Force Majeure except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency, or by executive order. In

the event of any inconsistency between this section and any other provision set forth in this Agreement (including, without limitation, in any full-executed rider attached to this Agreement, notwithstanding anything set forth in such rider to the contrary), this section shall prevail and govern. The parties agree that, with respect to this section, there shall be no presumption against the draftsperson. This section shall survive the Closing.

28. 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.

29. 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 Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Residential 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, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any and all legal fees, court costs, disbursements and related expenses, incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement, beyond any applicable grace period, in canceling the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder, whether or not litigation or an adversarial proceeding is brought that arises from or relates to the Purchase Agreement and whether the litigation or adversarial proceeding arises between Purchaser and Sponsor or between a third party and Sponsor or Purchaser. Notwithstanding the foregoing, Purchaser shall not be obligated to pay Sponsor's legal fees or disbursements in any action brought pursuant to the Plan or the Purchase Agreement where Purchaser is the prevailing party in such action pursuant to a final non-appealable order of a court of competent jurisdiction.

31. 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.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party,

notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

34. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

35. 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, paragraphs, subsections or other provisions are references to articles, sections, paragraphs, subsections or other provisions of this Agreement.

36. 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.

37. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

38. CONFIDENTIALITY

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

39. 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.

40. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

41. COUNTERPARTS

This Agreement and any Riders thereto may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same instrument.

42. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

42.1 This Agreement was negotiated in the State of New York and the Residential Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

42.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any federal or state court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided herein shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Sponsor of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor.

43. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

43.1 The provisions of this section shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

43.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

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

44. PURCHASER'S REPRESENTATIONS

44.1 Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser, is now nor shall be at any time prior to or at the Closing of Title, be a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

44.2 Purchaser has taken, and until the Closing of Title shall continue to take, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law, and to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and at Closing will be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. § 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. § 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et. seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. § 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. §§ 1956 and 1957, as amended from time to time.

44.3 The provisions of this section shall survive the Closing of Title to the Residential Unit or the earlier termination of this Agreement.

45. RESALE FEE

45.1 In the event that Purchaser enters into an agreement ("Resale Agreement") to sell the Residential Unit prior to the first anniversary of the closing of the Residential Unit ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under this Agreement.

45.2 The Resale Fee shall be paid to Sponsor by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by Purchaser must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable.

45.3 The provisions of this section shall survive the Closing of Title.

46. FINANCIAL CRIMES ENFORCEMENT NETWORK

In the event that this transaction falls within the scope of the Geographic Targeting Order ("Order") issued by the Financial Crimes Enforcement Network of the U.S. Department of Treasury (as may be amended from time to time), Purchaser shall deliver to the Title Company at Closing all documents and information requested by the Title Company in order to comply with the requirements set forth in the Order. Any failure by a Purchaser to perform its obligations under this paragraph shall constitute an Event of Default under this Agreement.

47. CERTIFICATION OF SPONSOR AND PRINCIPAL

Consistent with a recent First Department decision, the principal of Sponsor expressly disclaims the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principal, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 106 A.D. 3d 542 (1st Dept. 2013).

48. SMOKING POLICY

48.1 Purchaser acknowledges and accepts the current smoking policy for the Property, a copy of which is annexed hereto as Schedule "C" in accordance with §17-506.1 of the Administrative Code of the City of New York.

48.2 Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including, without limitation, the imposition of fines or penalties against the Residential Unit Owner. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Rules and Regulations, including, without limitation, to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

49. PURCHASE BY AN ENTITY [IF APPLICABLE]

49.1 Purchaser represents that as of the date hereof, the individual[s] that control Purchaser [is][are] _____ [and_____] ([each, a]"Purchasing Individual"). Purchaser acknowledges that at Closing, Purchaser shall deliver to Attorneys for Sponsor all required organizational documents, as determined by Sponsor in its sole discretion, in order to confirm that as of the date of Closing, Purchaser is still under the Control of [a] Purchasing Individual. Purchaser's failure to comply with the provisions of this subsection shall be deemed an event of default under the Purchase Agreement, entitling Sponsor to exercise the remedies set forth in section 13 of the Purchase Agreement.

49.2 The term "Control" shall mean, with respect to any person or entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person or entity, through ownership of 100% voting securities or 100% of partnership or other ownership or membership interests, by contract or otherwise, or as a result of being the sole beneficiary of a trust.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao
Title: Authorized Signatory

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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 or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchaser and would not prevent the use of the Residential Unit for dwelling purposes.

3. The terms, burdens, covenants, restrictions, conditions, easements and Rules and Regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Tax Lot Drawings as all of the same may be amended from time to time.

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

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

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

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

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

9. Leases and service, maintenance, employment, concessionaire and Storage Locker Licenses, if any, of other Residential Units or portions of the Common Elements.

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

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

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Buildings Department, 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.

13. Any encumbrance as to which the Title Company (or such other New York State Land Title Association member title insurance company which insures the Purchaser's title to the Residential Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Residential Unit if it is a lien or (b) will not be enforced against the Residential Unit if it is not a lien.

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

15. Any lease covering the Residential Unit(s) made from Sponsor to the Purchaser.

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

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any TCO or PCO for the Building, so long as the same permits, or does not prohibit, use of the Residential Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Residential Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

SCHEDULE B

INSPECTION STATEMENT

Date: _____

NERE LI Development LLC
4918 3rd Avenue
Brooklyn, New York 11220

Re: Residential Unit No: _____ ("Residential Unit")
208 Delancey Condominium
208 Delancey Street
New York, New York 10002 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned ("Purchaser") or Purchaser's agent ("Purchaser's Rep") inspected the Residential Unit which Purchaser is acquiring from Sponsor and have found the Residential Unit to be in good condition, except as otherwise noted on the attached schedule as Exhibit "A."

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, towel bars, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Residential Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed on Exhibit A.

4. Purchaser hereby agrees to provide Sponsor and its contractors, subcontractors, agents and employees, unfettered access to the Residential Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work set forth on the Inspection Statement, failing which Sponsor shall be relived of its obligations to complete the items listed on Exhibit A.

PURCHASER(S):

_____
(signature)

_____
(signature)

OR

PURCHASER'S REP:

_____
(signature)

_____
Sponsor's Representative

EXHIBIT A

PUNCHLIST ITEMS:

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SCHEDULE C

SMOKING POLICY
FOR 208 Delancey Condominium

1. For the purpose of this smoking policy, the term "smoking" and similar terms means inhaling, exhaling, burning, or carrying any lighted cigar, pipe, cigarette, e-cigarette or other tobacco or non-tobacco smoking product in any manner or in any form.

2. No Residential Unit Owner, tenant, occupant, or any other person (including, without limitation, invitees, guests or contractors) occupying or visiting a Residential Unit shall smoke (i) in any common area of the building, including, without limitation, all entrances, elevators, hallways, basement, stairwells, fire stairs, amenity areas, and driveways, and (ii) within a radius of thirty (30) feet outside all entrance doors of the building ((i) and (ii) collectively "Prohibited Smoking Locations").

3. Persons may smoke within a Residential Unit and on a terrace or balcony appurtenant to a Residential Unit, provided however that such smoking does not trigger complaints of smoke odors permeating into other Residential Units or Prohibited Smoking Locations in the building. If the Condominium receives, and notifies the Residential Unit Owner of, complaints regarding smoke odors permeating from their Residential Unit, or any terrace or balcony exclusive thereto, into other Residential Units or Prohibited Smoking Locations, the Residential Unit Owner shall be obligated, at their sole cost and expense, to take all steps necessary to cause such complaints to cease, including but not limited to sealing holes, gaps and cracks in the Residential Unit, installing air purifiers, and creating necessary pressure differentials.

4. Each Residential Unit Owner shall inform all persons that do or will occupy or enter a Residential Unit of this policy and shall be responsible for violations thereof. In the event of any violation of this policy, the Condominium Board shall impose a fine of $250 per occurrence on the common charge account of the Residential Unit.

5. Each Residential Unit Owner shall inform their household staff, co-occupants and guests of this policy.

6. A Residential Unit Owner who leases their Residential Unit shall include a copy of this policy as an attachment to such lease.

7. A Residential Unit Owner who violates this policy, or whose co-occupant, guest or other invitee violates this policy, shall be deemed to have agreed to indemnify, defend and hold harmless the Condominium from, against and with regard to any loss or damage which the Condominium may incur, or any claim that may be asserted against the Condominium, as a result of such violation of this policy, including, without limitation, the amount of reasonable attorneys' fees and disbursements incurred by the Condominium in connection therewith.

8. Any monetary obligations by a Residential Unit Owner to the Condominium under this policy shall be deemed additional common charges under the by-laws of the Condominium.

This smoking policy shall be deemed part of the Rules and Regulations of the Condominium, and shall be included in the purchase and leasing waiver application packages of the Condominium, and as part of all leases of Residential Units in the Condominium.

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SCHEDULE D

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, between Sponsor, Purchaser and Escrow Agent.

Re: Residential Unit No: _____ ("Residential Unit")
208 Delancey Condominium
208 Delancey Street
New York, New York 10002 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

Escrow Agent has established an escrow account entitled "Starr Associates LLP, Escrow Account" ("Escrow Account") at Signature Bank located at 261 Madison Avenue, New York, New York 10016 ("Escrow Bank"). Escrow Bank is authorized to do business in the State of New York.

All instruments to be deposited into the Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent" or wired directly to the Escrow Account maintained by Escrow Agent pursuant to the Plan, as applicable, and shall be accepted subject to collection. Endorsed instruments will not be accepted. All checks must be drawn on or issued by a bank or trust company which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Deposit, for insufficient funds or for any other reason, shall render the Purchase Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and

discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Residential Unit may be sold to another as though the Purchase Agreement had never been made. A return of any check delivered in payment of the Additional Deposit, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided therefor under the Purchase Agreement. With respect to wire transferred funds, any wiring fees charged by the initiating and/or receiving bank shall be paid by Purchaser.

All Deposits will be placed initially in the non-interest bearing portion of the Escrow Account (excluding Special Work Funds). Each Purchaser is required to deliver, in addition to any other documents required by the Escrow Bank or any governmental agency, a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Attorneys for Sponsor (or Escrow Agent) at the time Purchaser signs and delivers the Purchase Agreement and the Initial Deposit. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, and any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser (except for deposits for Special Work Funds). If a Purchaser does not deliver the Form W-9 or FormW-8 or any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will remain or may be moved back into the non-interest bearing portion of the Escrow Account. Each Purchaser will be required to comply with the requirements of the Escrow Bank and/or any governmental agency at any time, failing which the Deposit shall remain in (or may be moved back into) the non-interest bearing portion of the Escrow Account. At such time as any Deposit is released, such Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

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

Special Work Funds will initially be placed in the Escrow Account. However, Purchasers should note that such Special Work Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or to reimburse Sponsor, for such special work. As a result, in the event Sponsor cancels the Purchase Agreement or Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan or if Sponsor abandons or withdraws the Plan, the Special Work Funds will be returned to Purchaser, to the extent not expended or committed or necessary to restore the Unit to the condition immediately prior to the performance of any special work on Purchaser's behalf. Escrow Agent shall be under no duty to verify that Sponsor used or committed such funds for special work.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Initial Deposit. If Purchaser does not receive notice that the Initial Deposit has been placed in the Escrow Account within 15 business days after delivery of the Initial Deposit, Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery of the Initial Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Initial Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Initial Deposit, including, without limitation, the Additional Deposit or any funds in connection with any changes in the interest rate.

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

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

All Deposits delivered subsequent to the Initial Deposit, including, without limitation, the Additional Deposit, may be delivered by Purchaser to Sponsor or Escrow 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. Such Deposits shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Escrow Agent.

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. If the Purchase Agreement is not fully-executed and delivered to Purchaser within 30 days from the delivery to Sponsor of the partially-signed Agreement by Purchaser to Sponsor together with the Deposit, the partially-signed Purchase Agreement shall be deemed rejected and cancelled and all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other under the Purchase Agreement or under the Plan.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of August 20, 2019, the interest rate for the Escrow Bank is approximately 0.30%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no representation of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

Escrow Agent is acting merely as a stakeholder. Upon the release of any Deposits pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Deposits.

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

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

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

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

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

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

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

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

5. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO ESCROW RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

RIDER TO PURCHASE AGREEMENT

RE: STORAGE LOCKER

This Rider is made as of _____, between Sponsor and Purchaser.

Re: Residential Unit No: _____ ("Residential Unit")
208 Delancey Condominium
208 Delancey Street
New York, New York 10002 ("Condominium")

1. STORAGE LOCKER

1.1 Sponsor agrees to sell and Purchaser agrees to purchase the Storage Locker designated as Storage Locker #___ in the Declaration for a purchase price of $_____ ("Purchase Price") together with its undivided _____% interest in the Common Elements appurtenant to such Storage Locker ("Storage Locker").

1.2 The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $ ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price"), due upon the delivery of the deed to the Residential Unit.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, both the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

1.3 The term "Deposit" refers to the Initial Deposit and Additional Deposit. Payment by Purchaser of any Deposit or the Balance of the Purchase Price due under this Rider shall be subject to the same terms and conditions set forth in subsection 4.2 of the Purchase Agreement.

2. TEMPORARY CERTIFICATE OF OCCUPANCY

The Closing of Title to the Storage Locker does not require the issuance of a Temporary Certificate of Occupancy. Purchaser will be required to consummate the purchase of the Storage Locker simultaneously with the Closing of Title to the Residential Unit. In such event, the proceeds from the sale of the Storage Locker will be held in the Storage Locker Escrow until such time as access to the Storage Locker Area and /or Storage Locker is made available to Purchaser. Alternatively, at Sponsor's sole discretion, the Closing of Title to the Storage Locker may not occur simultaneously with the Closing of Title to the Unit which may result in additional costs to be incurred by Purchaser.

3. DAMAGE TO THE STORAGE LOCKER AREA

If there is a fire or other casualty to the Storage Locker and Sponsor does not elect to repair or restore the Storage Locker following such fire or casualty, then this Rider shall be deemed

cancelled and Purchaser will only be required to consummate the Closing of the Unit and any other Ancillary Unit which is the subject of a Rider. In such event, the Balance of the Purchase Price of the Residential Unit shall be reduced by the amount of the Deposits paid pursuant to the terms of this Rider.

4. RIDER INCORPORATED INTO PURCHASE AGREEMENT

All of the rights, obligations, terms and conditions set forth in the Purchase Agreement with respect to the Residential Unit shall apply to the Storage Locker unless the context otherwise requires.

5. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Residential Unit and any default by Purchaser under the Purchase Agreement for the Residential Unit shall constitute a default under this Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier Closing of Title with respect to the Residential Unit, the provisions of the Purchase Agreement with respect to the sale and purchase of the Storage Locker shall survive the Closing of Title to the Residential Unit.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

9. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO STORAGE RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

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RIDER TO PURCHASE AGREEMENT

RE: PARKING UNIT

This Rider is made as of _____, between Sponsor and Purchaser.

Re: Residential Unit No: _____ ("Residential Unit")
208 Delancey Condominium
208 Delancey Street
New York, New York 10002 ("Condominium")

1. PARKING UNIT

1.1 Sponsor agrees to sell and Purchaser agrees to purchase the Parking Unit designated as Parking Unit #___ in the Declaration for a purchase price of $_____ ("Purchase Price") together with its undivided _____% interest in the Common Elements appurtenant to such Parking Unit ("Parking Unit").

1.2 The Purchase Price is payable as follows:

(a) $_____ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $ ("Additional Deposit"), due upon the earlier to occur of (i) 6 months after the execution date of this Agreement or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective; and

(c) $_____ ("Balance of the Purchase Price"), due upon the delivery of the deed to the Residential Unit.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, both the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

1.3 The term "Deposit" refers to the Initial Deposit and Additional Deposit. Payment by Purchaser of any Deposit or the Balance of the Purchase Price due under this Rider shall be subject to the same terms and conditions set forth in subsection 4.2 of the Purchase Agreement.

2. TEMPORARY CERTIFICATE OF OCCUPANCY

The Closing of Title to the Parking Unit does not require the issuance of a Temporary Certificate of Occupancy. Purchaser will be required to consummate the purchase of the Parking Unit simultaneously with the Closing of Title to the Residential Unit. Alternatively, at Sponsor's sole discretion, the Closing of Title to the Parking Unit may not occur simultaneously with the Closing of Title to the Unit which may result in additional costs to be incurred by Purchaser.

3. DAMAGE TO THE PARKING UNIT AREA

If there is a fire or other casualty to the Parking Unit and Sponsor does not elect to repair or restore the Parking Unit following such fire or casualty, then this Rider shall be deemed cancelled and Purchaser will only be required to consummate the Closing of the Unit and any other Ancillary Unit which is the subject of a Rider. In such event, the Balance of the Purchase Price of

the Residential Unit shall be reduced by the amount of the Deposits paid pursuant to the terms of this Rider.

4. RIDER INCORPORATED INTO PURCHASE AGREEMENT

All of the rights, obligations, terms and conditions set forth in the Purchase Agreement with respect to the Residential Unit shall apply to the Parking Unit unless the context otherwise requires.

5. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Residential Unit and any default by Purchaser under the Purchase Agreement for the Residential Unit shall constitute a default under this Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier Closing of Title with respect to the Residential Unit, the provisions of the Purchase Agreement with respect to the sale and purchase of the Parking Unit shall survive the Closing of Title to the Residential Unit.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

9. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO PARKING RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

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UNIT DEED

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UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between NERE LI Development LLC, having an office at 4918 3rd Avenue, Brooklyn, New York 11220 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Residential Unit") known as Residential Unit No. ____[; and the Parking Unit ("Parking Unit") known as Parking Unit #__] (the Residential Unit and Parking Unit are also referred to collectively herein as the "Units") in the building ("Building") known as 208 Delancey Condominium ("Condominium") and by the street number 208 Delancey Street, Borough of Manhattan, County of New York, City and State of New York, said Unit[s] being designated and described by the above Unit number[s] in a certain declaration dated [_____], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [_____], as CRFN# [_____] ("Declaration"). The Residential Unit is also designated as Tax Lot __ [and the Parking Unit is also designated as Tax Lot __] in Block 343 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings of the Building, certified by S M Tam Architect, PLLC on [_____], and filed with the Department of Finance of The City of New York on [_____], as Condominium Plan No. [_____] and also filed in the Register's Office on [_____], as Condominium Map No. [_____];

TOGETHER with an undivided _____% interest for Residential Unit __, and an undivided _____% interest for Parking Unit __ 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[s];

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit[s], as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit[s], to the Land and/or to the Building (which Land and Building are, collectively, referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the

Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Residential Unit is intended for residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated December 15, 2017 and recorded in the Register's Office on December 29, 2017 as CRFN 2017000475559.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit[s] has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with §13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao
Title: Authorized Signatory

GRANTEE:

_____
(signature)

_____
(signature)

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(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A

TO UNIT DEED

DESCRIPTION OF THE LAND

208 Delancey Condominium
208 Delancey Street
New York, New York 10002
Block: 343

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

USE AND OCCUPANCY AGREEMENT

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USE AND OCCUPANCY AGREEMENT

This use and occupancy agreement ("Use and Occupancy Agreement") for Residential Unit _____ ("Residential Unit") at 208 Delancey Condominium, located at 208 Delancey Street, New York, New York 10002 ("Premises") is made as of _____, 20___ between NERE LI Development LLC ("Sponsor") and _____ ("Purchaser") (together, the "Parties").

B A C K G R O U N D

A. Sponsor is the sponsor of an offering pursuant to an offering plan ("Plan") to convert the Premises to condominium ownership.

B. The Parties executed a Purchase Agreement for the Residential Unit dated _____, 20___ as may be amended from time to time ("Purchase Agreement").

C. The Parties executed a Rider to the Purchase Agreement ("Rider") pursuant to which Purchaser was granted the right to enter into a Use and Occupancy Agreement and thereby use and occupy the Residential Unit pre-closing.

NOW THEREFORE, it is agreed by the Parties as follows:

1. All capitalized terms used in this Use and Occupancy Agreement shall have the same meanings ascribed to them in the Plan, Purchase Agreement and Rider, as amended.

2. The term ("Term") of the Use and Occupancy Agreement shall commence on _____, 20___ ("Occupancy Date") and shall end on the date occurring on the earlier of: (a) the Closing of Title to the Residential Unit pursuant to the terms of the Purchase Agreement, and (b)_____, 20___, unless the date is extended in accordance with the terms of this Use and Occupancy Agreement or (c) the date that either Sponsor or Purchaser cancels the Purchase Agreement in accordance with the terms thereof.

3. Purchaser shall pay to Sponsor without deduction or offset, use and occupancy payments (each a "Payment") in the amount of $_____ per month to be paid on the first day of each month of the Term. If this Use and Occupancy Agreement terminates as a result of the Closing of Title to the Residential Unit, any Payment received by Sponsor for the month in which the Closing of Title takes place shall be adjusted between Sponsor and Purchaser at Closing.

4. Purchaser warrants that the Residential Unit has been inspected and examined and Purchaser shall accept title to the Residential Unit at Closing in the same "as is" condition as existed on the Occupancy Date, except for items set forth on the Inspection Statement executed by Purchaser prior to the Occupancy Date, if any.

5. During the Term, Purchaser shall keep the Residential Unit clean and in good condition and no person other than Purchaser and Purchaser's family may occupy the Residential Unit (subject in all events to the Declaration of Condominium, the By-Laws and the Rules and Regulations of the Condominium) and the Residential Unit may not be sublet, and/or occupied by any other person without the express prior written consent of Sponsor. Purchaser shall not harbor any pets in the Residential Unit without Sponsor's prior written consent. Purchaser shall not perform any alterations, modifications, renovations and/or repairs to or in the Residential Unit without Sponsor's prior written consent. Purchaser acknowledges that while the Residential Unit may be legally occupied, certain services and facilities in the Building may be subject to shut-off or otherwise unavailable as a result of ongoing construction. Purchaser agrees that the interruption or failure of any such services or facilities shall not be an objection or defense by Purchaser to

any of the conditions or obligations set forth in this Use and Occupancy Agreement or under the Purchase Agreement, nor shall Purchaser be entitled to any reduction in the Payments required in paragraph 3 hereunder or in the Purchase Price.

6. It is specifically understood and agreed that Sponsor and the Condominium Board shall be free from any and all liability for any damage or injury to persons or property or arising from any cause or happening whatsoever in, on, or to the Residential Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s). Commencing on the Occupancy Date and throughout the Term, Purchaser shall obtain and maintain (a) personal general liability insurance against any and all claims for bodily injury death or property damage (including, but not limited to, loss due to water damage) occurring in, upon or from the Residential Unit thereto or any part thereof, with limits not less than $_____ for bodily injury or death arising out of any one occurrence and $_____ for damage to property plus at least $_____ umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments and personal property). Such insurance shall name Sponsor and the Condominium Board as additional insured parties and may not be cancelled without prior written notification to Sponsor. Purchaser shall indemnify, defend and hold Sponsor and the Condominium Board harmless from and against any and all costs, expenses, liabilities and/or obligations (including, without limitation, reasonable attorneys' fees and disbursements) arising from any cause or happening whatsoever in, on, or to the Residential Unit from and after the Occupancy Date, except if caused by the willful, affirmative acts on the part of Sponsor, the Condominium Board or their respective agent(s).

7. It is specifically understood and agreed that nothing contained herein shall serve to waive or modify the rights of Sponsor or Purchaser under the Purchase Agreement in the event the parties fail to close title in accordance with the terms of the Purchase Agreement.

8. The parties acknowledge that this Use and Occupancy Agreement is not a lease and that a landlord/tenant relationship is not established by virtue of this Use and Occupancy Agreement or Purchaser's occupancy of the Residential Unit, which is provided solely as an accommodation to Purchaser.

9. In the event Purchaser files a voluntary petition in bankruptcy, or has an involuntary petition in bankruptcy filed against it subsequent to the execution of this Use and Occupancy Agreement, Purchaser acknowledges, warrants and represents, to the maximum extent permitted by law, that, as of the date of this Use and Occupancy Agreement: (i) Purchaser is presently occupying the Residential Unit with no rights of possession, whether legal or equitable, in the Residential Unit, except as otherwise provided in this Use and Occupancy Agreement; (ii) the automatic stay, pursuant to 11 U.S.C. §362(a), does not bar or prevent Sponsor from recovering possession of the Residential Unit, and (iv) a trustee-in-bankruptcy may not assume or reject Purchaser's right to occupy the Residential Unit, pursuant to 11 U.S.C. §365.

10. In the event that (i) Purchaser defaults under the terms of this Use and Occupancy Agreement which default is not cured within 10 days of notice (other than Purchaser's failure to make a Payment within ten (10) days of the first day of the month in which such Payment is due, in which event Sponsor shall not be required to send notice of default and the event of default shall be deemed to have occurred on the 11th day after the date on which such Payment is due) or (ii) the Term expires, Purchaser shall vacate and deliver possession of the Residential Unit to Sponsor in broom-clean condition within 10 days of written notice from Sponsor or its attorney ("Vacate Date").

11. Purchaser acknowledges that it would be difficult, if not impossible, to actually assess the damage that would be suffered by Sponsor as a result of Purchaser's failure to faithfully perform its obligation to vacate and surrender the Residential Unit on or before the Vacate Date. Therefore, it is expressly agreed that if Purchaser fails to vacate and surrender exclusive possession of the Residential Unit on or before the Vacate Date and/or seek an extension of time to remain in the Residential Unit beyond the Vacate Date and/or fails to deliver the keys to the Residential Unit on or before the Vacate Date, Purchaser, in addition to having liability for the damages available hereunder or available to Sponsor at law or equity, shall be liable to Sponsor for liquidated damages in a sum equal to $_____ ("Liquidated Damage Payments," each a "Liquidated Damages Payment") for each day between the Vacate Date and the date on which Purchaser vacates and surrenders exclusive possession of the Residential Unit or Sponsor obtains vacant, legal and physical possession of the Residential Unit. The obligation to make Liquidated Damage Payments begins on the first day following the Vacate Date. The Parties agree that the requirement that Purchaser make Liquidated Damage Payments and that Sponsor recover the attorneys' fees and costs in enforcing the terms of this Use and Occupancy Agreement is fair and reasonable under the circumstances and does not constitute a penalty. This paragraph shall not constitute a modification or waiver of Purchaser's obligation to vacate the Residential Unit on or before the Vacate Date in accordance with the terms of the Use and Occupancy Agreement.

12. At Sponsor's option, Liquidated Damage Payments may be deducted from the Security Deposit (defined below). The Liquidated Damage Payments shall be in addition to the Payment required to be paid by Purchaser in paragraph 3 and is in addition to all other charges Purchaser is required to pay pursuant to this Use and Occupancy Agreement and all of Sponsor's remedies under the Purchase Agreement.

13. Purchaser agrees: (i) that Sponsor, without notice, may commence a summary holdover proceeding for the purpose of enforcing this Use and Occupancy Agreement; (ii) that Purchaser will consent in the holdover proceeding to the personal and subject matter jurisdiction of the court and waive any and all substantive and procedural defenses to the proceeding; and (iii) that Sponsor may file a Stipulation of Settlement ("Stipulation") (a copy of which is annexed hereto) by which Purchaser, among other things, consents to a final judgment of possession and the execution of a warrant of eviction without further notice. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor the Stipulation, the terms of which are incorporated herein.

14. Purchaser shall be liable for any and all actual and incidental costs incurred by Sponsor in recovering possession of the Residential Unit, including, but not limited to, storage and/or disposal fees for Purchaser's belongings, personal property and attorneys' fees and court costs. At Sponsor's option, all actual and incidental costs may be deducted from the Security Deposit, and Purchaser shall be liable for the balance of the costs that exceed the Security Deposit.

15. As security for the performance of Purchaser's obligations hereunder, including, without limitation, making all Payments, Liquidated Damage Payments, attorneys' fees, and reimbursing Sponsor for any and all expenses attendant to performing repairs to the Residential Unit necessitated by Purchaser's occupancy and other incidental costs and expenses, Sponsor hereby acknowledges receipt of $_____ ("Security Deposit"). The Security Deposit shall be returned to Purchaser (less deductions as set forth in this paragraph) either upon Closing or, if the Purchase Agreement has been terminated, within 15 days after the Residential Unit is surrendered to Sponsor as required by this Use and Occupancy Agreement.

16. Any default by Purchaser under this Use and Occupancy Agreement that continues beyond the applicable grace period shall constitute an Event of Default by Purchaser under the Purchase

Agreement entitling Sponsor to exercise any and all remedies provided for in the Purchase Agreement, provided however, that any default by Purchaser under the Purchase Agreement that continues beyond the applicable grace period shall constitute a default by Purchaser under this Use and Occupancy Agreement entitling Sponsor, in its sole option, to terminate this Use and Occupancy Agreement in accordance with its terms and with Law.

17. Simultaneously with the execution of this Use and Occupancy Agreement, Purchaser shall execute and deliver to Sponsor the stipulation of settlement in the form annexed hereto ("Stipulation"), the terms of which are incorporated herein.

18. Purchaser expressly acknowledges Purchaser's obligation to and shall comply with the Condominium Declaration, By-Laws and Rules and Regulations.

19. If any Payment due under this Use and Occupancy Agreement is received after the 10th of the month, Purchaser shall pay to Sponsor a late fee in the sum of $_____. If any check delivered by Purchaser to Sponsor is returned for insufficient funds or is uncollectible for any reason, Purchaser shall pay to Sponsor a returned check fee in the amount of $_____. In addition, Sponsor has the right to treat a check from Purchaser that has been returned for insufficient funds as a default under the Purchase Agreement, for which Sponsor may exercise all remedies available under the Purchase Agreement and Law.

20. The Rules and Regulations and the form of Purchase Agreement set forth in Part II of the Plan provide the full smoking policy for the Property ("Smoking Policy") in accordance with §17-506.1 of the Administrative Code of the City of New York. In summary, smoking is permitted within a Unit and on a Terrace or balcony exclusive to a Unit, but is not permitted in any of the Building's common areas. Purchasers are advised to refer to Part II of the Plan to read the Smoking Policy in its entirety. Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including, without limitation, the imposition of fines or penalties against the Unit Owner. Purchasers are advised that the By-Laws empower the Condominium Board to amend the Rules and Regulations, including, without limitation, to modify or replace the Smoking Policy, and Sponsor makes no representations or guarantees as to whether the Condominium Board will choose to do so at any time.

21. This Use and Occupancy Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

22. In the event of any inconsistency between the provisions of this Use and Occupancy Agreement and those contained in the Plan, the provisions of this Use and Occupancy Agreement shall govern and be binding.

23. Any notices or documents required to be given pursuant to this Use and Occupancy Agreement must be delivered if to Sponsor to 4918 3rd Avenue, Brooklyn, New York 11220, with a copy to Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017, Attention: Andrea L. Roschelle, Esq.; and if to Purchaser to Attorney for Purchaser. All deliveries must be made by nationally-recognized overnight courier for next business day delivery and shall be deemed given upon deposit with the courier service.

24. This Use and Occupancy Agreement shall be subordinate to any loan entered into heretofore between Sponsor and any lender to finance the construction of the Building.

25. This Use and Occupancy Agreement may only be modified by an agreement in writing signed by the parties hereto. No oral understanding or agreement shall be effective to modify, change or alter the terms or conditions of this Use and Occupancy Agreement.

26. Neither party nor their respective attorney shall be deemed to be the sole drafter hereof, and the parties hereto waive the benefit of any rule of construction relating to the interpretation of a document against the drafter.

27. This Use and Occupancy Agreement may be executed in any number of original, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Use and Occupancy Agreement.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO USE AND OCCUPANCY AGREEMENT]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

CIVIL COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

NERE LI Development LLC

Petitioner-Owner,

- against -

Premises: 208 Delancey Condominium
208 Delancey Street
New York, New York 10002

Respondent-Occupant.

Index No.
L&T -

STIPULATION OF SETTLEMENT
HOLDOVER

WHEREAS, Petitioner and Respondent entered into a certain Purchase Agreement ("Purchase Agreement"), dated as of _____, 20___, pursuant to which Petitioner agreed to convey and Respondent agreed to purchase Residential Unit ____ located in a building known as 208 Delancey Condominium, 208 Delancey Street, New York, New York 10002 ("Premises"); and

WHEREAS, Respondent has been occupying the Premises pursuant to a use and occupancy agreement ("Use and Occupancy Agreement"); and

WHEREAS the term Respondent was permitted to occupy the Premises under the Use and Occupancy Agreement ("Term") has expired, but Respondent continues to use, occupy and possess the Premises past the Term without the permission of Petitioner; and

WHEREAS, Respondent has agreed to vacate the Premises;

NOW, THEREFORE, in for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and of the mutual covenants contained herein, the parties hereto wish to settle all claims and resolve all disputes and differences among them and do hereby stipulate and agree as follows:

1. Respondent acknowledges having received and was duly served with the Notice of Petition and Petition Holdover by which Petitioner seeks a final judgment of possession for the Premises and a warrant of eviction ("Warrant") removing Respondent from the Premises.

2. Respondent accepts service, waives traverse and all objections to personal and subject matter jurisdiction, if any. Respondent admits as true each and every allegation set forth in the petition, waives trial by jury, and waives all defenses, affirmative defenses and counterclaims of any kind or nature and the service of any notice before the Warrant may be executed.

3. Respondent expressly: (i) waives any and all objections of any kind or nature to the service, substance or sufficiency of notices, if any, served prior to the commencement of this proceeding, (ii) acknowledges that the term granted to Respondent under the Use and Occupancy Agreement has expired; (iii) acknowledges that it has no further right, title or interest in or to the Premises and that (iv) Respondent remains in possession of the Premises past the Term without permission as a "holdover" occupant.

4. Respondent consents to the entry of a final judgment of possession for the Premises and to the immediate issuance and execution of the Warrant and agrees to be evicted from the Premises. Any personal property remaining in the Premises after eviction shall be deemed abandoned.

5. The terms of the Use and Occupancy Agreement shall govern the obligations of the parties, except as modified by the terms of this Stipulation and Order.

6. Respondent hereby waives, abandons, relinquishes and surrenders any rights it may have to (i) an extension of time to cure any breach of condition set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant (iii) judicial intervention of any kind or nature to extend, modify or toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder (iv) appeal from any order of the Court resulting from this Stipulation and Order.

7. If Petitioner shall employ counsel to enforce any of Respondent's obligations under this Stipulation and Order or to defend any litigation commenced by Respondent in connection with this Stipulation and Order, including, without limitation, an application seeking (i) an extension of time to cure any breach of condition as set forth in this Stipulation and Order (ii) any stay, order or injunction preventing the execution of the Warrant, (iii) judicial intervention of any kind or nature to extend, modify, toll the time periods set forth herein or collaterally attack the enforceability of any of the terms or provisions hereunder; or (iv) to appeal from any order of the Court resulting from this Stipulation and Order, notwithstanding the prohibition in this Stipulation and Order of Respondent seeking such relief, and if Petitioner shall be compelled to enforce Petitioner's rights hereunder, Respondent shall pay all of the Petitioner's costs and expenses in connection therewith, including, without limitation, attorneys' fees and disbursements.

8. Respondent warrants and represents that, in executing this Stipulation and Order, Respondent has relied on legal advice from an attorney of Respondent's choosing, is entering into this Stipulation and Order voluntarily and without duress and that the terms of this Stipulation and Order have been read and its consequences (including risks, complications, and costs) have been fully explained to Respondent by its attorney. Respondent further represents that it has not relied on any promise or representation made outside this Stipulation and Order.

9. The parties hereto expressly agree that the Court shall retain jurisdiction over the enforcement of the provisions of this Stipulation and Order.

10. The parties hereto shall cooperate fully so as to facilitate the compliance with all of the obligations set forth in this Stipulation and Order. All documents required to be executed by Respondent shall be delivered to the Petitioner so requesting within three (3) business days, delivery to be made by hand or overnight courier.

11. In the event of a conflict between the terms of the Use and Occupancy Agreement and those of this Stipulation and Order, the terms of this Stipulation and Order shall prevail.

12. This Stipulation and Order constitutes the entire agreement between Petitioner and Respondent with respect to the subject matter hereof and no oral representations exist between the parties with respect thereto. This Stipulation and Order shall constitute an Order of the Court, subjecting a party who violates its provisions to all rights and remedies available for the violation of a Court order.

13. This Stipulation and Order is the product of substantial negotiations between the parties and, as such, no negative inferences shall be drawn against either party as the drafter hereof.

14. This Stipulation and Order shall be filed with the Court and shall become an Order of the Court upon signature of any judge sitting in the civil court without further notice to either party.

Dated: New York
_____, 20___

By: _____

STARR ASSOCIATES LLP
Attorneys for Petitioner
220 East 42nd Street, Suite 3302
New York, New York 10017
(212) 620-2681

By: _____
RESPONDENT

By: _____
RESPONDENT

SO ORDERED:

_____
JUSTICE OF THE CIVIL COURT

STORAGE LOCKER LICENSE

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STORAGE LOCKER LICENSE

AGREEMENT made this _____ day of _____ ("Storage Locker License") by and between NERE LI Development LLC, having an office at 4918 3rd Avenue, New York, New York 10002 ("Sponsor"), and the Condominium Board of 208 Delancey Condominium on behalf of all Unit Owners, having an address at 208 Delancey Street, New York, New York 10002 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as "Licensor") and _____ having an address at 208 Delancey Street, Unit _____, New York, New York 10002 ("Licensee");

W I T N E S S E T H :

WHEREAS, 208 Delancey Condominium ("Condominium") is governed by a certain Declaration of Condominium recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time ("Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time ("By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time ("Rules and Regulations") ("Declaration," the "By-Laws" and the "Rules and Regulations" are collectively referred to as the "Condominium Documents"); and

WHEREAS, the Condominium is located at 208 Delancey Street, New York, New York 10002 ("Building"); and

WHEREAS, storage lockers are located in a portion of the Building ("Storage Locker Area"); and

WHEREAS, Licensee owns or simultaneously herewith is acquiring Residential Unit No. _____ in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of that certain storage locker designated as Storage Locker #____ ("Storage Locker") for so long as Licensee owns a Residential Unit in the Condominium; and

WHEREAS, the Condominium Board granted Sponsor the exclusive right to sell, without charge, the Storage Locker pursuant to a storage locker license and the Condominium will not be entitled to any of the proceeds from such sale; and

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 storage locker license for the exclusive use of the Storage Locker ("Storage Locker License") and Licensee hereby accepts the Storage Locker License from Licensor for a term commencing on the date hereof.

2. Licensee is responsible to pay a monthly fee to Licensor in the amount of $_____. The Condominium Board has the right to impose license fees and Special Assessments in connection with the Storage Locker. Any fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the fee and/or Special Assessment due hereunder or imposed by the Condominium Board in the future shall constitute a material default under the terms of the Condominium Documents.

3. The Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item be stored therein. Licensee acknowledges that the Storage Locker may not be used for (a) storing any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt, or other sanitary problems or create a nuisance, or (b) sleeping or other occupancy uses (each, a "Prohibited Use") and that the use of the Storage Locker for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Unit Owner as a result of any Prohibited Use of the Storage Locker shall be borne by Licensee.

4. A Storage Locker may not be licensed independently of a Residential Unit. This Storage Locker License shall automatically terminate at such time as Licensee no longer owns a Residential Unit, unless this Storage Locker License is assigned to and assumed by another Residential Unit Owner in accordance with the terms of this Storage Locker License and the Condominium Documents. Licensee may also voluntarily surrender the Storage Locker License to the Condominium Board.

5. This Storage Locker License may be assigned by Licensee at any time provided that (i) the assignee is a Residential Unit Owner at the Condominium, (ii) the assignee assumes the obligations hereunder in the form annexed hereto, (iii) the assignee delivers notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) the assignee and the Licensee do not owe any outstanding monies to the Condominium.

6. Licensee shall not store any property in the Storage Locker Area outside of the Storage Locker.

7. Licensee represents that Licensee has made a thorough inspection of the Storage Locker and the Storage Locker Area and agrees to take same in its "as is" condition as of the date of this Storage Locker License.

8. Licensee represents that Licensee shall, throughout the term of this Storage Locker License, maintain the Storage Locker with a proper manner of care. All obligations with respect to maintenance and repair in or to the Storage Locker shall be governed by the terms of the Condominium Documents.

9. Neither Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Storage Locker and/or the Storage Locker Area. In the event of a power outage, any resulting loss or damage in or to the Storage Locker or the contents therein will be at the sole cost of the Licensee. Licensor, Licensor's agents or employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Storage Locker Area. Licensee acknowledges that the Storage Locker and the Storage Locker Area will not be serviced by an emergency generator.

10. The terms of this Storage Locker License 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 Storage Locker License and the Condominium Documents shall be resolved in favor of the Condominium Documents.

11. If Licensee defaults in Licensee's obligations under this Storage Locker License or under the Condominium Documents, the Condominium Board may, in its sole discretion, elect by notice to Licensee to (i) deny access to and use of the Storage Locker until Licensee cures such default and/or (ii) terminate this Storage Locker License, in addition to the other rights and remedies that the Condominium Board has under the Condominium Documents. If the Condominium Board so elects, Licensee shall have a thirty (30) day period from the giving of notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) day period, TIME BEING OF THE ESSENCE, then this Storage Locker License shall be deemed terminated. Upon the termination of this Storage Locker License, the Condominium Board will be

released and discharged of all further liability and obligations under this Storage Locker License, and the Storage Locker may be licensed to another as though this Storage Locker License had never been made, and without any obligation to account to Licensee for any of the proceeds.

12. The Condominium Board and/or its agents shall have the right, but not the obligation, to open the Storage Locker in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Locker and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

13. This Storage Locker License shall constitute a license only and shall not be construed under any circumstances to be a sale of the Storage Locker or conveyance of title thereto. Licensee acknowledges and agrees that this Storage Locker License is being considered personal property and accordingly, is not mortgageable, insurable for title purposes, or otherwise subject to the imposition of transfer taxes. In the event that transfer taxes are imposed on the sale or transfer of this Storage Locker License, payment of such taxes shall be the obligation of Licensee. In no event shall a landlord/tenant relationship exist between Licensor and Licensee with respect to this Storage Locker License.

14. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, servants, employees, agents, guests and invitees in connection with this Storage Locker License.

15. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance in amounts sufficient to cover the property located in the Storage Locker, as determined by the Condominium Board.

16. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending the rights of Licensor under this Storage Locker License or, in the event Licensee defaults under this Storage Locker License beyond any applicable cure period, enforcing Licensee's obligations hereunder.

17. Neither this Storage Locker License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

18. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Storage Locker License, which alone fully and completely express their agreement and that this Storage Locker License supersedes any and all such understandings and agreements with respect to the subject matter hereof.

19. If any provision of this Storage Locker License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Storage Locker License and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Storage Locker License, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

20. 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 Storage Locker License 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.

21. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Storage Locker License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Storage Locker License to be performed by Licensee.

22. Licensee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

23. The Condominium Board has the authority to promulgate additional rules and/or restrictions regarding the use of, insurance coverage for, and access to the Storage Locker and Storage Locker Area.

24. Upon the surrender or termination (for any reason whatsoever) of this Storage Locker License, the Condominium Board shall have the right in its sole discretion to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate in its sole discretion and without any obligation to compensate Licensee therefor. The Condominium Board has the authority to promulgate additional rules and/or restrictions regarding the procedures for assigning, transferring, surrendering, terminating, and/or otherwise conveying the Storage Lockers.

IN WITNESS WHEREOF, the undersigned have executed this Storage Locker License as of the day and year first above written.

AGREED TO AND ACKNOWLEDGED BY:

LICENSOR:

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

208 DELANCEY CONDOMINIUM

By: _____
Name: _____
Title: _____

LICENSEE:

_____

(signature)

_____

(signature)

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ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

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ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

W I T N E S S E T H :

WHEREAS, Assignor executed a certain Storage Locker License dated _____, _____ ("Storage Locker License") to have the exclusive right to use Storage Locker # ___ ("Storage Locker") located in the Building known as 208 Delancey Condominium located at 208 Delancey Street, New York, New York 10002, in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Storage Locker License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Storage Locker License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Storage Locker License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Storage Locker License, a copy of which is attached hereto and made a part hereof, for a purchase price of $_____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Storage Locker License as if Assignee had signed the Storage Locker License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Storage Locker.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage Locker License on the day and year first above written.

ASSIGNOR:

_____
(signature)

ASSIGNEE:

_____
(signature)

APPROVED BY:

208 DELANCEY CONDOMINIUM

By: _____
Name:
Title:

DECLARATION OF CONDOMINIUM

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DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

208 DELANCEY CONDOMINIUM

and having a street address of

208 DELANCEY STREET
NEW YORK, NEW YORK 10002

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:	**208 Delancey Condominium**
Sponsor:	**NERE LI Development LLC** **4918 3rd Avenue** **Brooklyn, New York 11220**
Date of Declaration:	**_____, _____**

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
220 East 42 Street
New York, New York 10017
(212) 620-2680

The land affected by the within instrument lies in Block 343 F/K/A Lot 68, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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A – DESCRIPTION OF THE LAND

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D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

DECLARATION

OF

208 DELANCEY CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

NERE LI Development LLC, a limited liability company organized under the laws of the State of New York, having an office at 4918 3rd Avenue, Brooklyn, New York 11220 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, if any, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as 208 Delancey Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 85 Residential Units, 50 Storage Lockers and 4 Parking Units, contained in a structure comprising twelve (12) above-grade stories, one (1) below-grade level cellar, one (1) roof level and one (1) bulkhead roof level as reflected on the Tax Lot Drawings of the Building certified by S M Tam Architect, PLLC.

5.1.1 The Residential Units will be located on the Cellar Floor through Floor 11.

5.1.2 The Storage Lockers will be located on the Cellar Floor.

5.1.5 The Parking Units will be located on Floor 1.

5.2 The class of construction is I-B. The building's structural system is cast-in-place, reinforced concrete columns and floor slabs. The buildings' foundations, including column footings, will be cast-in-place, reinforced concrete. The buildings' floor slabs and roof slabs will be cast-in-place, reinforced concrete. The building shall be constructed with non-combustible materials and will allow for a minimum of 2-hour fire rating for all structural elements.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Residential Unit necessary for the proper identification thereof: Residential Unit designation; tax lot number; approximate location in the Building; approximate square footage; number of rooms; the portions of the Common Elements to which such Residential Unit has immediate access; and the Common Interest appurtenant to such Residential Unit. The precise location of each Residential Unit is shown on the Tax Lot Drawings.

6.2 Each Residential Unit is measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, that all columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Residential Unit. Each Residential Unit is measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

6.3 Each Residential Unit includes, and each Residential Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Residential Unit including Terrace doors (including, without limitation, all locks, peepholes, doorknobs and hardware), hallways exclusively serving such Residential Unit (with respect to full-floor Residential Units, if any), non-load-bearing interior walls and partitions, floors and floor coverings and ceilings affixed, attached or appurtenant to the Residential Unit, smoke/carbon monoxide detectors, skylights, window panes, fireplaces, fireboxes, dampers, mantels and flues, mechanical systems located in the Residential Unit, heating and cooling systems (including HVAC filters and parts), plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning units (including the internal fans), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets, balconies, and all other Facilities as may be affixed, attached or appurtenant to the Residential Unit and serving the Residential 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, water

spigots located on Terraces, and any special pipes or equipment which a Residential Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Residential Unit Owner after the Residential Unit Owner acquired title to the Residential Unit, in which event Residential Unit Owner shall be responsible for such installations. Each Residential Unit shall also include all lighting and electrical fixtures and appliances within the Residential Unit, including those located on Terraces and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Residential Unit, to the extent located within a Residential Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Residential Unit.

6.4 Any Common Elements located within a Residential Unit shall not be considered a part of such Residential Unit.

6.5 Notwithstanding anything contained in this Article to the contrary, each Residential Unit Owner will have the right, subject to the provisions of the By-Laws, exercisable at any time, to install, at such Residential Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Residential Unit Owner's Residential 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 consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Residential Unit or of the Building or violate Law.

6.6 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Residential Units and Parking Units and Sponsor shall be deemed a licensee with respect to all Storage Lockers, without the need to execute specific and particular deeds or indentures for each and every Residential Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Residential Units. The Common Elements are comprised of the General Common Elements and the Limited Common Elements. The Common Elements do not include any Excess Development Rights, if any, which shall be initially retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Residential Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Residential Units or of the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto, except for the Development Rights.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, load-bearing walls, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Residential Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element from a Residential Unit and/or General Common Element and/or a Limited Common Element, from the midpoint of any such wall, partition, floor or

ceiling to the boundary line of such General Common Element, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Residential Unit pursuant to the terms of Article 6 hereof.

(iii) the pump room, detention tank room, fire pump room, domestic water room, telephone room, gas meter room, electrical switch gear room, water meter room, service closets, and electrical room, each of which are located on the cellar floor of the Building.

(iv) all stairways, passenger elevators and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways.

(v) compactor room located on the cellar floor and its respective shafts and equipment.

(vi) super's office, corridor, common laundry room, pet wash room, each of which are located on the cellar floor.

(vii) outdoor courtyard and indoor recreation room (and powder room) and all of the furnishings, structural and decorative elements contained therein located on the cellar floor.

(viii) the Storage Locker Areas, together with all the Storage Lockers therein, located on the cellar floor.

(ix) lobby, entrances, exit corridors, concierge stations, package storage rooms, mail room, bicycle storage room, each of which are located on Floor 1.

(x) the Parking Unit Area, together with all Parking Units therein, located on Floor 1.

(xi) indoor recreation gym, common terrace, and outdoor court located on Floor 2 (which outdoor court is not to be used or accessed by Building occupants) and all equipment, finishings and furniture contained therein.

(xii) common roof terrace located on the roof and all equipment, finishings and furniture contained thereon.

(xiii) all mechanical and HVAC equipment located on the roof.

(xiv) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Limited Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Limited Common Element from a General Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element.

(xv) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Residential Units and/or the General Common Elements and/or the Limited Common Elements only.

(xvi) all interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Residential Unit pursuant to the terms of Article 6 hereof.

7.3 The Limited Common Elements consist of all portions of the Land and Building (other than the Residential Units) that are for the use of one or more specified Residential Units to the exclusion of all other Residential Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include: the Yards, Balconies and Terraces adjoining certain Residential Units more particularly set forth on Exhibit "B" to this Declaration entitled "Description of Residential Units."

7.4 The Common Elements shall remain undivided, and no Residential Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST

The undivided percentage interest of each Residential Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

ARTICLE 9

USE OF RESIDENTIAL UNITS, PARKING UNITS AND STORAGE LOCKERS

Reference should be made to section 5.7 and 5.9 of the By-Laws for terms, covenants, conditions, descriptions and other information relating to the use of the Residential Units, Parking Units and Storage Lockers which are, by this reference, incorporated herein and made a part of this Article 9 of this Declaration as if set forth at length in the text hereof.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-Laws and the Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Rules and Regulations, if applicable, Sponsor, the Residential Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

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

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Rules and Regulations, if applicable, each Residential Unit Owner shall have an easement in common with all other Residential Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Residential Units or elsewhere on the Property which serve such Residential Unit Owner's Residential Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Residential Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Residential Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Residential Unit or elsewhere on the Property which serve other Residential Units. All easements and rights of access described in this section shall be exercised by the Condominium Board on behalf of all Residential Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto (including Limited Common Elements and Storage Lockers) to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e. a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the l Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Residential Unit shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Residential Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such

manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected. In addition, Sponsor reserves the right to install fireplace flues and mechanical equipment on the roof of the Building.

11.3 Sponsor and its Permitted Users for so long as Sponsor 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 the Unsold Residential Units and the Common Elements.

11.4 Each Residential 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 Residential Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive easement for so long as Sponsor owns an Unsold Residential Unit to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) any pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (excluding any Limited Common Elements and Storage Lockers) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Residential Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Residential Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Residential Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units shall each be subject to such easement.

11.6 Sponsor and any Development Rights Owner] shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or the Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including, without limitation, (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law.

11.7 The Condominium and Building shall be designated and known as 208 Delancey Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building and any intellectual property relating thereto, including without limitation, any logos, marks, websites, trademarks, copyrights or names relating to or referring to the name of the Condominium or the Building, unless otherwise prohibited by Law. Only Sponsor shall have the right to change or assign the name of the Condominium. In addition, Sponsor shall have the right to utilize other names for the Building or portions thereof for marketing and promotional purposes without the consent of the Condominium Board or the Residential Unit Owners. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque, etching and/or other similar signage ("Plaque"), without charge, on the exterior portion of the

Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall have the right to remove the Plaque, unless mandated by Law.

11.8 If (a) any portion of the Common Elements encroaches upon any Residential Unit or upon any other portion of the Common Elements, (b) any Residential Unit encroaches upon any other Residential Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Residential Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Residential 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.

11.9 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

11.10 Sponsor and its Permitted Users (regardless of whether Sponsor owns an Unsold Residential Unit) shall have an easement in, over, under, through, and upon the Common Elements to the extent necessary (as determined by Sponsor in its sole discretion) in order for Sponsor to meet its obligations under the Plan, including, without limitation, all things related to Sponsor's obligation to procure a PCO for the Building.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS

Reference should be made to section 5.2 of the By-Laws for terms, covenants, conditions, descriptions and other information relating to alterations, additions, improvements, and changes to Unsold Residential Units, which are, by this reference, incorporated herein and made a part of this Article 12 of this Declaration as if set forth at length in the text hereof.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Residential Unit Owner surrenders the Residential Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Residential Unit, together with its Appurtenant Interests, purchases, a Residential Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Residential Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective Common Interest. Any lease or sublease of any Residential 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 Residential Unit Owners, in proportion to their respective Common Interest.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Residential Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents; and

(b) effectuate Sponsor's or the Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Residential Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit (including, but not limited to, a resident managers Residential Unit, if any), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased; and

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with a resident manager's Residential Unit, if any, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

14.3 In confirmation of the foregoing power of attorney, at the time of acquiring title to a Residential Unit and as a condition thereof, each Residential Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Residential Unit Owner's sole cost and expense), the Residential Unit Owner's Power of Attorney, in the form set forth as Exhibit E to this

Declaration. In the event of any failure by any Residential Unit Owner to deliver the Power of Attorney in accordance with the terms of this subsection 14.3, the provisions of subsections 14.1 and 14.2 hereof shall nevertheless remain in full force and effect. Nothing in this Article 14 shall be construed to mean that the provisions of subsections 14.1 and 14.2 hereof are in any way contingent or dependent upon the delivery of the Power of Attorney in accordance with the terms of this subsection 14.3.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as the Property is withdrawn from the provisions of the Condominium Act as authorized by a vote of 80% in number and in Common Interest of all Residential Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Residential Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Residential Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Residential Unit Owners in proportion to their respective Common Interest; provided, however, that no payment shall be made to a Residential Unit Owner until there has first been paid from out of such Residential Unit Owner's share of such net proceeds all liens on the Residential Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Residential Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Residential Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Residential Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Residential Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Residential Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Residential Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Residential Unit Owner, Condominium Board or other Person.

16.3 If any Residential Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within

10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Residential Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Residential Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Residential Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Residential Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Residential 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 Residential 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 Residential 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.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Residential Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Residential Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

EXCESS DEVELOPMENT RIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board nor any Residential Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Residential Unit Owner by accepting a deed or otherwise succeeding to title to a Residential Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Residential Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Residential Unit Owner by accepting a deed or otherwise succeeding to title to a Residential Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner. Alternatively, upon demand of Sponsor or a Development Rights Owner, each Residential Unit Owner and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION AND THE TAX LOT DRAWINGS

19.1 All the provisions of this subsection 19.1 are subject to the provisions contained in this Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, or any Permitted Mortgagee. Any provision of this Declaration and/or the Tax Lot Drawings affecting the Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners, in accordance with the provisions of the By-Laws. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Residential Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

19.2 Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Residential Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Residential Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Residential Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), the Tax Lot Drawings, and any other such documents, plans and maps as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Residential Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Residential Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of provisions (i) or (ii) of this section shall not (1) change the Common Interest of any Residential Unit other than a Residential Unit owned by Sponsor, or (2) require a material, physical modification of any Residential Unit other than a Residential Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Residential Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 Any amendment to this Declaration and/or Tax Lot Drawings (as applicable) may be executed: (i) if on behalf of Sponsor or any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 19.2 hereof, by Sponsor or the Development Rights Owner, or (ii) if on behalf of the Residential Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Residential Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Residential Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Residential Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.4 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration, the Tax Lot Drawings, and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Residential Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest of any other Residential Unit, or (2) require a physical modification of any other Residential Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Residential Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Residential Unit owned by Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, unless such amendment is consented to in writing by Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, or (iii) impose any charge or fee against Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, unless Sponsor or the Development Rights Owner shall consent to such amendment in writing.

19.6 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor if the same relate to Sponsor.

19.7 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

19.8 Notwithstanding the provisions of section 19.1 hereof, the Common Interest appurtenant to any Residential Unit, as set forth in the Declaration, shall not be altered without the consent of the Residential Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of the By-Laws.

19.9 Subject to the rights of Sponsor set forth herein, the foregoing section 19.1 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Residential Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Residential Units; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan and (iii) a PCO has been issued for the Property.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York shall serve the Condominium c/o The Board of Managers of 208 Delancey Condominium located at 208 Delancey Street, New York, New York 10002.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Residential Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Residential Unit Power of Attorney annexed hereto as Exhibit E; (vi) the Tax Lot Drawings; and (vii) the Offering Plan are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

25.1 The rights and/or obligations of Sponsor as set forth in this Declaration and the By-Laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor. Sponsor shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

25.2 All rights of Sponsor as set forth in this Declaration and the By-Laws shall inure to the benefit of the principal of Sponsor.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

27.1 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.

27.2 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.

27.3 Unless otherwise stated, all references herein to Articles, sections or other provisions are references to Articles, sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor any of its principal shall be subject to any of the restrictions, limitations, policies, impositions of fees, and/or prohibitions with regard to the Common Elements, the Residential Units, the Parking Units and/or Storage Lockers set forth in this Declaration or the By-Laws annexed hereto, as same may be amended from time to time.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao

Title: Authorized Signatory

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A

TO THE DECLARATION

DESCRIPTION OF THE LAND

208 Delancey Condominium
208 Delancey Street
New York, New York 10002
Block: 343

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

CONDOMINIUM NO. _____

EXHIBIT B TO THE DECLARATION
DESCRIPTION OF THE UNITS

208 Delancey Condominium
208 Delancey Street
New York, New York 10002

Tax Block: 343
Tax Lots: _____ to _____

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	TERRACE/ BALCONY	BLOCK 343 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	FLOOR NO.	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
Total					**100%**			

EXHIBIT C

DEFINITIONS

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

"Additional Deposit" shall mean a deposit in an amount equal to 5% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date on which a Purchase Agreement is executed by Sponsor and Purchaser, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more in the aggregate, (ii) materially and permanently interfere with such Unit Owner's access to the Unit, (iii) materially and permanently obstruct or degrade the view from the windows and/or Terraces of the Residential Unit (excluding lot line windows) or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the building located at 208 Delancey Street, New York, New York 10002.

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

"Bulk Sales" shall mean the transfer of 10 or more Residential Units or 20% of the total number of Residential Units in the Condominium, whichever is less.

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

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

"Closing Date" shall mean the date on which a Closing is scheduled to occur.

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

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

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

replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

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

"Condominium" shall mean 208 Delancey Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Tax Lot Drawings.

"Construction Lender" shall mean a Person, together with its respective successors and assigns, from whom Sponsor has procured, or will have procured, an agreement for financing the construction of the Building.

"Construction Loan" shall mean that loan agreement that Sponsor has procured, or will have procured, for financing the construction of the Building.

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

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

"Department of Law" shall mean Office of the Attorney General of the State of New York, Real Estate Finance Bureau.

"Deposits" shall mean, collectively, all deposits, advances and payments delivered by a Purchaser prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit, but excluding Special Work Funds.

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

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

"Equal or Better Quality" shall mean comparable or better quality as recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous

tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) "floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, stepsiblings, aunts, uncles, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

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

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

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

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

"Floor Plans" shall mean the floor plans depicting the proposed layouts of the Units and Storage Lockers that appear in Part II of the Plan.

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, pandemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of

Sponsor; however, for purposes of this definition, Sponsor's lack of funds or inability to obtain financing are expressly excluded from the meaning of "any causes not within the control of Sponsor."

"GBL" shall mean Section 352-e of the New York State General Business Law, as amended from time to time.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Tax Lot Drawings except with respect to the Storage Lockers, which are available only for use by the licensee of the particular Storage Locker.

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

"Initial Deposit" shall mean a deposit in an amount equal to 5% of the Purchase Price required to be delivered by Purchaser at the time Purchaser signs and delivers the Purchase Agreement.

"Inspection Statement" shall mean that certain document substantially in the form annexed to the form of Purchase Agreement as Schedule "B," set forth in Part II of the Plan.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders, including mezzanine lenders, which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, (iv) principal or other affiliates of Sponsor, or (v) with respect to only loans secured by any Unsold Units and/or any other Unit owned by Sponsor or its principal or other affiliates, (a) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of § 860D of the Internal Revenue Code, (b) any entity not included among any of the foregoing entities that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (c) any group of lenders which shall include one or more of the foregoing, or (d) a wholly-owned subsidiary of any of the foregoing entities.

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

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York as Block 343, Lot 68 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

"Member" shall mean any member of the Condominium Board, either elected or designated thereto in accordance with the terms of the By-Laws. All such members are collectively referred to as "Members."

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

"Parking Unit" shall mean any parking space located in the Parking Unit Area. Each Parking Unit will be owned in fee simple in the same manner as the Residential Units and assigned its own tax lot.

"Parking Unit Area" shall mean an area located in the garage on Floor 1 of the Building containing the Parking Units. The Parking Unit Area is a General Common Element, excluding the Parking Units themselves.

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

"PCO" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

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

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

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

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, subcontractor, consultant, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether

written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

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

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

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

"Prohibited Use" shall mean one or more of any of the following uses: (a) for storing any flammable or explosive item or any item which would impose a health or safety threat or cause noxious odors, dirt, or other sanitary problems or create a nuisance, or (b) for sleeping or other occupancy uses.

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

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

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

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

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

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

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

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

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

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

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 for Individual Energy Costs."

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

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

"Special Work Funds" shall mean all amounts expended by, or reimbursable to, Sponsor for special work requested by Purchaser and agreed to in writing by Sponsor.

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

"Sponsor Closing Fees" shall mean the closing fees payable to Starr Associates LLP set forth in the section of the Plan entitled "Closing Costs and Adjustments."

"Sponsor Control Period" shall mean the period ending on the earliest to occur of (i) the fifth anniversary of the First Closing, (ii) the Closing of Title to all Residential Units offered for sale pursuant to the Plan, or (iii) the date on which Sponsor otherwise exercises its right to relinquish control of the Condominium Board.

"Sponsor Lender" shall mean any holder of any Sponsor Loan at the time in question.

"Sponsor Loan" shall mean (to the extent entered into between Sponsor and any lender) the Construction Loan, any mezzanine finance loan(s), and/or any or preferred equity loan(s). All such loans are collectively referred to as the "Sponsor Loans."

"Storage Locker" shall mean any storage locker located in the Storage Locker Areas and shall include the structural framework and materials out of which the storage locker is constructed. Each Storage Locker is a Common Element. Any reference in the Plan to "owning a Storage Locker" means that the Residential Unit Owner has entered into a license for the Storage Locker.

"Storage Locker Area" shall mean each of the 2 areas in the Cellar of the Building containing Storage Lockers, which are collectively referred to as "Storage Areas." All Storage Locker Areas are General Common Elements.

"Tax Lot Drawings" shall mean the floor plans of the Residential Units certified by a professional engineer or licensed architect and filed in the Register's Office simultaneously with the recording of the Declaration, as the same may be supplemented and/or amended from time to time.

"TCO" shall mean a temporary certificate of occupancy for the Building or a portion thereof (as applicable) issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed thereon. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces."

"Title Company" shall mean KCT Abstract LLC, having an office at 9 Elizabeth Street, 2nd Fl., New York, New York 10013 (telephone: 212-528-3338, or any successor Title Company at the time in question.

"Unit" shall mean any of the Residential Units or Parking Units designated as such in the Declaration and on the Floor Plans together with its Common Interest. All such Units are, collectively, referred to as the "Units."

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

"Unit Owner Property" shall mean all appliances, equipment, flooring, fixtures, improvements, furniture, furnishings, decorations, belongings, and other personal property of any kind contained in a Unit and any Limited Common Elements appurtenant thereto and any Storage Locker.

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

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

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

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

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

BY-LAWS OF THE CONDOMINIUM

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EXHIBIT D

TO THE DECLARATION

==========

BY-LAWS

OF

208 DELANCEY CONDOMINIUM

Prepared by:

STARR ASSOCIATES LLP
ATTORNEYS AT LAW
220 EAST 42 STREET
NEW YORK, NEW YORK 10017
(212) 620-2680

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BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Residential Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Residential Unit Owners, mortgagees, lessees, sublessees and occupants of Residential Units, and employees and guests of Residential Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Residential Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted and ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Residential Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of section 2.4 hereof, the Condominium Board shall have, to the

extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board*. The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Residential Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Residential Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Residential Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Common Elements be utilized to defray any Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however,

that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, the affirmative consent of at least 66 2/3% in aggregate Common Interest of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Residential Unit or its Appurtenant Interests without the consent of the owner of such Residential Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Residential Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Residential Unit Owner's Common Interest bears to the aggregate Common Interest of all Residential Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Residential Unit Owner's Residential Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Residential Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property pursuant to the terms of section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Residential Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Residential Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Residential Unit, Parking Unit or Storage Locker pursuant to the terms of paragraph (D) of section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units, Parking Units or Storage Lockers offered for sale, lease or assignment by their owners, in the name of the

Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xv) to purchase Residential Units, Parking Units or Storage Lockers at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units Parking Units, or Storage Lockers acquired by, and to sublease Residential Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Residential Unit Owners for violations of the Rules and Regulations and these By-Laws (any such fines and fees shall be deemed to constitute Common Charges payable by Residential Unit Owners of the Residential Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Residential Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and the By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and the By-Laws.

(xx) to organize corporations and other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Residential Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate, and (c) any and all declarations, consents, waivers or other instruments requested by Sponsor or a Development Rights Owner, with respect to Sponsor's or a Development Rights Owner's utilization, sale or transfer of Excess Development Rights.

(xxii) to prepare, execute, acknowledge and record on behalf of all Residential Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Residential Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Residential Unit Owner or Residential Unit Owners, as the case may be, against an authorized guest and/or a tenant of a Residential Unit Owner if such authorized guest and/or tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or tenant, including attorneys' fees, costs and disbursements, shall be borne by the Residential Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Residential Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium and the Common Elements, including, without limitation, the right to impose usage fees and restrictions on hours of access and/or use.

(xxvii) to prepare, execute and administer Storage Locker Licenses and assignments thereof and to impose license fees and/or Special Assessments in connection therewith, which shall constitute additional Common Charges.

(xxviii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(xxix) to acquire in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners, Storage Locker Licenses terminated or surrendered to the Condominium Board.

(xxx) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Residential Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Residential Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of first refusal to lease or purchase a Residential Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in subsection (D) of this section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in subsection (D) of this section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in provisions (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of subsection (A) of section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in subsection (B) of this section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members*. Until the First Annual Meeting held pursuant to the terms of section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting, the Condominium Board shall consist of 5 individuals, 5 of whom shall be elected and/or designated in accordance with the terms of these By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Members"). The number of Members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit. Except for Members designated by Sponsor pursuant to the terms of this section 2.7 or of section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted

Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. After the Sponsor Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principal. In addition, no individual may be elected to serve on the Condominium Board (nor may continue to serve on the Condominium Board) if (i) such individual has been convicted of a felony, or (ii) the Condominium Board has perfected a lien against the Residential Unit owned or occupied by such individual and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Residential Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members*. The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 5 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 5 individuals elected and qualified or designated, as the case may be, at the First Annual Meeting pursuant to the terms of section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members*.

(A) Any Member of the Condominium Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of section 4.9 hereof, or by the Condominium Board, pursuant to the terms of section 2.10 hereof, may be removed from office, with or without cause, by an affirmative vote of a Majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor, subject to subsection (C) hereof. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

(C) Notwithstanding anything to the contrary set forth in subsections (A) and (B) hereof, any Member of the Condominium Board may be removed "with cause" by an affirmative vote of a majority of the Members of the Condominium Board at a special meeting duly called for such purpose, in which case the replacement will be elected by the Residential Unit Owners or designated by Sponsor, as applicable.

Section 2.10 *Vacancies*.

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of section 2.7 hereof and who is elected by a vote of the majority of the Members of the Condominium Board elected or designated by the Residential Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling

any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of subsection (A) or (B), respectively, of this section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board*. The first meeting of the Condominium Board following each annual meeting of the Residential Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery or mail not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board*. Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, fax or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board*. The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. In addition, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings*. Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board*. A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, attendance of a majority of all of the Members of the Condominium Board will be required at the Condominium Board meeting for any business relating to the General Common Elements, the Common Expenses or all or a portion of the Residential Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any

business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings*. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board*. Except as otherwise provided in the Declaration or these By-Laws, the vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating to the Common Elements, the Common Expenses, and all or any portion of the Residential Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members*. No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board*. Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Residential Unit Owners, and a Majority of Residential Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification*.

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extent permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their

capacities as Residential Unit Owners) and the liability of any Residential Unit Owner with respect thereto shall be limited as set forth in section 4.12 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Residential Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Residential Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Residential Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Residential Unit Owners shall jointly and severally, to the extent of their respective interests in their Residential Units and their appurtenant Common Interest, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Residential Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Residential Unit or the Common Elements and either: (a) caused by the elements, by any Residential Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Residential Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General*. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President*. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Residential Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Residential Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President*. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the

Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary*. The Secretary shall keep the minutes of all meetings of the Residential Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer*. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers*. Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Residential Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Residential Unit Owners if they are elected by the other Residential Unit Owners. The other officers of the Condominium Board need not be Residential Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers*. Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies*. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers*. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers*. Each officer shall be indemnified as set forth in section 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Residential Unit Owners*. The First Annual Meeting will be held on (i) a date that is approximately 30 days after the second anniversary of the First Closing or (ii) such earlier date on which the initial Condominium Board has scheduled the First Annual Meeting, in its sole discretion. At such meeting, a 5 Member Condominium Board shall be elected and/or designated, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Residential Unit

Owners shall be held on or about the anniversary date of the First Annual Meeting. At each such subsequent meeting, the Residential Unit Owners (including Sponsor) shall elect successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Residential Unit Owners*. The President shall call a special meeting of the Residential Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Residential Unit Owners having, in the aggregate, not less than 40% of the Common Interest of all Residential Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Residential Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Residential Unit Owners to all Residential Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Residential Unit Owner by personal delivery, mail, or telegram addressed to the Residential Unit Owner's address at the Property or by email to the email address provided by such Residential Unit Owner, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Residential Unit Owner may designate an address for the giving of notice other than such Residential Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Residential Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Residential Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Residential Unit Owners*. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Residential Unit Owners owning Residential Units to which 40% or more of the aggregate Common Interest appertain shall constitute a quorum at all meetings of the Residential Unit Owners. If, at any meeting of the Residential Unit Owners, there shall be less than a quorum present, a majority of the Residential Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Residential Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Residential Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Residential Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Residential Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Residential Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Residential Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Residential Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting*.

(A) Subject to the terms of section 4.9 hereof, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Residential Unit Owners for each .0001% of Common Interest attributable to such Residential Unit Owner's Residential Unit(s).

(B) Notwithstanding the terms contained in subsection (A) hereof, no Residential Unit Owner may vote at any meeting of the Residential Unit Owners if the Condominium Board has perfected a lien against such Residential Unit Owner's Residential Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Residential Unit owned by the Condominium Board or such designee. The Common Interest of all Residential Units whose owners are precluded from voting pursuant to the terms of this subsection (B) will be excluded when computing the aggregate Common Interest of all Residential Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Residential Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Residential Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Residential Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Residential Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Residential Unit may designate any Person to act as a proxy on such Residential Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no

revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Residential Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board*.

(A) When voting for Members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit(s) per Member to be elected. However, nothing contained herein shall be deemed to permit any Residential Unit Owner to cumulate the votes attributable to the ownership of a Residential Unit in favor of any 1 or more Members to be elected. In addition, the terms of subsections (B), (C) and (D) of section 4.8 hereof shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Residential Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Residential Unit(s) owned by the voting Residential Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Residential Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected). Any ballot that is not cast in conformity with this subsection (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of subsection (D) of this section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Residential Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interest attributable to the Unsold Residential Units as it sees fit. However, at elections of Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate four (4) of the five (5) Members to the Condominium Board, and Sponsor, and all other Residential Unit Owners shall have the right to vote for the remaining Members of the Condominium Board. Sponsor reserves the right to relinquish control of the Condominium Board prior to the expiration of the Sponsor Control Period.

(E) Subsequent to the Sponsor Control Period, until the later to occur of (a) the second anniversary of the First Closing or (b) the Closing of Title to all Residential Units, Sponsor shall have the right to designate one (1) Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Members of the Condominium Board who are not related to or affiliated with Sponsor.

(F) Within thirty (30) days after the expiration of the Sponsor Control Period, and assuming the First Annual Meeting has not yet occurred, three (3) of the four (4) Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Residential Unit Owners (including Sponsor for so long as Sponsor shall own (1) Unsold Residential Unit) at a special meeting called for such purpose.

Section 4.10 *Action Without a Meeting*. Any action required or permitted to be taken by the Residential Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of

Residential Unit Owners sufficient (both in absolute number and aggregate Common Interest whenever applicable) to approve such an action at a duly constituted meeting of the Residential Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Residential Unit Owners pursuant to this section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Residential Units.* Title to any Residential Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Residential Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Residential Unit Owner of the terms, provisions and conditions contained in these By-Laws.

Section 4.12 *Contractual Liability of Residential Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of sections 2.20 and 3.10 hereof, respectively) that the liability of any Residential Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Residential Unit Owner bears to the aggregate Common Interest of all Residential Unit Owners in the case of a contract relating to the Common Elements, and (ii) such Residential Unit Owner's interest in the Residential Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Residential Unit and all portions thereof, including, but not limited to, the interior walls, partitions, ceilings and floors in the Residential Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Residential Unit (including HVAC filters and parts), window panes, fireplace, firebox, dampers, mantel and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to subsection (B) of section 5.8 hereof, but excluding any other Common Elements contained therein, shall be performed by such Residential Unit Owner at its sole cost and expense (except for any skylights located in a Residential Unit, which shall be performed by the Condominium Board at the sole cost and expense of such Residential Unit Owner);

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Residential Units pursuant to the terms of subsection (B)

of section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense;

(iii) in or to the Limited Common Elements shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements (including without limitation, the removal of snow, ice and accumulation of water on any Terrace).

Promptly upon obtaining knowledge thereof, each Residential Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Residential Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Residential Unit Owners or the tenants and occupants of any Residential Units.

(B) Notwithstanding anything to the contrary provided in subsection (A) of this section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Residential Unit Owner, the entire cost and expense thereof shall be borne by such Residential Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a Common Expense attributable to all Residential Unit Owners if relating to the Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Residential Unit Owner shall be responsible for any and all damage to any Residential Unit or to the Common Elements resulting from such Residential Unit Owner's failure to maintain, repair, or replace the Residential Unit or any portion thereof as required herein.

(C) Each Residential Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Residential Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Residential Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements.

The interior and exterior glass surfaces of all windows located in Residential Units shall not be colored or painted. The glass surfaces of all windows located in any Residential Unit are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense with the exception that the cleaning of the exterior portion of the glass surfaces shall be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Residential Unit Owners as a Common Expense. The replacement of any glass window located in a Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of such Residential Unit Owner, including, without limitation, the expense of an exterior hoist if the replacement window does not fit into the service elevator (unless such breakage is caused by the Condominium Board or any other Residential Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Residential Unit

Owner, as the case may be). Prior to the replacement of any glass window, the Residential Unit Owner must obtain the prior approval of the Condominium Board with respect to the type of replacement windows to be installed.

The public areas of the Building as well as the private areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Residential Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Residential Unit Owner's Residential Unit. To promote a consistent appearance of the Building from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board; and (y) all window treatments in a Residential Unit must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

(D) In the event that any Residential Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Residential Unit as provided in this section 5.1 (or of any Common Elements for which such Residential Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Residential Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Residential Unit Owner's Residential Unit or to any such Common Element for which such Residential Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Residential Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Residential Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Residential Units.*

(A) The provisions of this subsection (A) are subject in their entirety to the provisions of subsection (B) of this section 5.2 set forth below. No Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Limited Common Elements without the prior approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in subsection (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Residential Unit Owner's contractors and materialpeople. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with a Residential Unit Owner's alterations, additions,

improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Except to the extent prohibited by Law, Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Residential Unit Owners, or Mortgage Representatives, if any:

i) to make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit;

ii) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Unsold Residential Units;

iii) without amendment to the Plan, to (i) subdivide and/or combine any Unsold Residential Unit and/or (ii) change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or or (iii) otherwise change the size and/or number of Unsold Residential Units, including incorporating General Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit without changing the percentage of Common Interest of such Residential Unit. In the event of a subdivision, combination, and/or change in size of any Unsold Residential Unit, Sponsor shall additionally have the right to reapportion among the affected Unsold Residential Units their respective Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Residential Unit:

a) no physical modifications shall be made to any other Residential Unit and the Common Interest and (other than Unsold Residential Units), as the case may be, or interior dimensions of any other Residential Units (other than Unsold Residential Units) shall not be changed by reason thereof, unless the owner of such other affected Residential Unit shall consent thereto.

b) Sponsor shall comply with Law and the terms of the Declaration and these By-Laws.

c) Sponsor shall agree to hold the Condominium Board and all other Residential Unit Owners harmless from any liability arising therefrom.

d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Residential Unit has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium

Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Residential Unit Owner may be given with respect to such Residential Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units.

(C) Notwithstanding the foregoing, all Residential Unit Owners (including, without limitation, Sponsor), prior to the making of any alteration, addition, improvement or repair in or to their respective Residential Unit and its appurtenant Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law. All alterations, additions, improvements and repairs by Residential Unit Owners shall be made in compliance with Law. The Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Residential Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Limited Common Elements (but other than that of the nature described in subsection (B) of this section 5.2), the same was approved by the Condominium Board pursuant to the terms of subsection (A) of this section 5.2.

(D) Neither the Condominium Board nor any Residential Unit Owner (other than the Residential Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Residential Unit and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in subsection (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Residential Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Residential Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Residential Unit and appurtenant Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Residential Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this section 5.2, until a PCO is obtained for the Building, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental

authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Residential Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Residential Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to (a) perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner, (b) close out or otherwise assume complete control over any open applications and/or permits associated with the work, including, without limitation, to substitute the person who opened the application or permit with an architect chosen by Sponsor, and/or (c) otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO). Any costs or expenses incurred by Sponsor associated with the foregoing provisions (a), (b), and/or (c) shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements*. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense attributable to all Residential Unit Owners. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000, at any one time, in any

fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Residential Unit Owners (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interest at a duly constituted meeting of the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Residential Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Section 5.4 *Insurance.*

(A) To the extent commercially reasonable, the Condominium Board shall obtain, and shall maintain in full force and effect, a commercial package policy including fire and special causes of loss, on at minimum a replacement cost valuation or replacement cost coverage and agreed valuation, insuring the entire Building (excluding each Unit, any Limited Common Elements appurtenant thereto, and any Unit Owner Property) together with all building service machinery contained therein, and covering the interests of the Condominium, the Condominium Board, all of the Residential Unit Owners and all Permitted Mortgagees, as their interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) a cross-liability endorsement and (c) pro-rata reduction of liability if Residential Unit Owners obtain additional coverage;

(ii) a provision that any settlement of claim will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subsection (ii) above and in section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 10 days' prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Evidence of insurance or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of Managing Agent. Copies thereof shall be delivered to any Residential Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent commercially reasonable:

(i) commercial general liability insurance written by companies with an A.M. Best Company rating of at least A-VII, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as named insureds (a) the Condominium Board and each Member thereof, (b) Managing Agent or manager (if any), (c) each officer and

employee of the Condominium and (d) each Residential Unit Owner (except, however, that such insurance shall not cover any liability of a Residential Unit Owner arising from occurrences within such Residential Unit Owner's own Residential Unit or any Limited Common Elements appurtenant thereto), with such coverage to be primary and not on an excess or contributory basis with any other policy which may be available to the Condominium Board or Managing Agent;

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage legal liability insurance;

(vi) officers' and directors' liability insurance;

(vii) fidelity bonds;

(viii) commercial umbrella insurance in the minimum amount of $10,000,000;

(ix) real property insurance; and

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

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to subsection (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by an insurance carrier, authorized to do business in New York, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to provision (i) of subsection (B) hereof, such policies shall contain aggregate limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate, and commercial umbrella insurance in the minimum amount of $10,000,000; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to provision (ii) of subsection (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Residential Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Residential Unit Owners as a Common Expense.

(E) For so long as Sponsor owns at least 1 Unsold Residential Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, any Limited Common Elements appurtenant thereto, and any Unit Owner Property. Each Unit Owner shall, at such Unit Owner's sole cost and expense, obtain and maintain in full force and effect such insurance, the types and amounts of which shall be determined by the Condominium Board in its sole discretion, insuring the Units, any Limited Common Elements appurtenant thereto, and any Unit Owner Property as well as liability insurance with respect to occurrences in or about the Residential Unit or any Limited Common Elements appurtenant thereto. All such policies shall contain waivers of subrogation, if commercially reasonable and provide that the liability of the carriers issuing the insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the purchaser at the closing of title of each Unit and thereafter, whenever requested by the Condominium Board or Managing Agent.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Limited Common Elements or the Residential Units, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, subject to the provision of subsection (D) of this section 5.5, all such monies actually received ("Trust Funds") shall be first solely and exclusively used to make repairs or replacement to any damaged or destroyed Shared Facilities, and the remainder shall be held in trust for the benefit of all Residential Unit Owners (with respect to the portion thereof allocated to a Casualty Loss to the Building or any part thereof or a Taking of the General Common Elements and/or Limited Common Elements or the Residential Units) and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this section 5.5. Notwithstanding anything to the contrary contained either in this subsection (A) or elsewhere in this section 5.5, however, in the event that any Residential Unit, any portion thereof, or any Limited Common Element appurtenant thereto are taken in a Taking (regardless of whether or not all or a part of the Common Elements are contemporaneously taken), no such Residential Unit Owner shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of subsection (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (excluding the Units and Unit Owner Property) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired or restored by the Unit Owner of the affected Unit. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or restore the Unit, the Condominium Board may cause the Unit to be repaired or restored and all costs in connection therewith shall be charged to the defaulting Unit Owner as a Special Assessment.

(C) In the event that Work shall be performed pursuant to the terms of subsections (B) and (D) of this section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Residential Unit Owners for the amount of such deficiency in proportion to their respective Common Interest, for Work to the General Common Elements and against all Residential Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Residential Unit Owners in proportion to their respective Common Interest, with respect to Work to the Common Elements, except that no payment shall be made to a Residential Unit Owner until there has first been paid, out of such Residential Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Residential Unit Owner's Residential Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Residential Unit Owners are assessed pursuant to the terms of the second sentence of this subsection (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Residential Unit Owners so assessed in proportion to their respective Common Interest, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee). Until such time that the lien of a Sponsor Loan has been released, the "Insurance Trustee" for the purposes of subsection (C) of this section 5.5 shall be deemed to be such Sponsor Lender.

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Residential Unit Owners (including Sponsor if Sponsor shall then own any Residential Units), in aggregate Common Interest, shall promptly resolve to proceed with the same. In the event that a sufficient number of Residential Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of subsections (B) and (C) hereof. Conversely, in the event that a sufficient number of Residential Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Residential Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Residential Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements or shall be paid to all Residential Unit Owners in proportion to their respective Common Interest to the extent allocated to destroyed or damaged portions of the Limited Common Elements except that no payment shall be made to a Residential Unit Owner until there first has been paid, out of such Residential Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Residential Unit Owner's Residential Unit in the order of priority of such liens. Notwithstanding anything to the contrary set forth herein, any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require the written consent (which consent shall not be unreasonably withheld, conditioned or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interest of all Residential Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. The Condominium Board shall not be required to take any action to obtain the consent of the Permitted Mortgagees or Mortgage Representatives as set forth in this section 5.5(D) other than the requirements set forth in section 8.7 of these By-Laws. The provisions of this section 5.5(D) may not be amended, modified or deleted without the prior written consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Residential Units wholly or partially unusable for the purposes permitted in the Declaration or (ii) destroy the means of access to one or more Residential Units, the installments of Common Charges otherwise payable by the Residential Unit Owner of any Residential Unit so affected thereby shall not be abated.

(F) If (i) a portion of any Residential Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of subsection (D) hereof, the Common Interest appurtenant to such Residential Unit shall be adjusted in the proportion that the total floor area of such Residential Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Residential Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest, appurtenant to such Residential Unit, which amendment shall be executed by the owner of such Residential Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Residential Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Residential Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Residential Unit shall be based upon the new Common Interest of such Residential Unit, and, in the event of a Taking of an entire Residential Unit, the right to vote appurtenant to such Residential Unit shall wholly terminate. In either event, the Common Interest of the other remaining Residential Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Residential Units together with the holders of the Permitted Mortgages.

(G) As used in this section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of subsection (A) of this section 5.5, sixty (60) days after the date upon which the Condominium Board notifies the Residential Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty (60) days after the date upon which the Condominium Board notifies the Residential Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this section 5.5 between Residential Unit Owners or between any Residential Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) Nothing shall be done or kept in any Residential Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior approval of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in a Residential Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(B) Nothing shall be done in any Residential Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Residential Unit or the Common Elements be altered or removed.

(C) The Condominium Board, Sponsor, and their respective Permitted Users shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other such causes in or around the Building, including, without limitation, in Residential Units, Parking Unit Area and/or the Storage Locker Areas. Any loss or damage in any Residential Unit, Parking Unit, and/or Storage Locker as a result thereof will be at the sole cost of the Residential Unit Owner, Parking Unit Owner, and/or Storage Locker Owner, as applicable.

Section 5.7 *Use of the Residential Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Residential Units, the use of Residential Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this section 5.7.

(B) The Residential Units shall be used for residential purposes only – including permitted "home occupation" as defined in the Zoning Resolution (unless otherwise set forth herein), but excluding "dormitory," "bed and breakfast" or other transient hotel-type use. Not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) Notwithstanding anything to the contrary contained in this section 5.7, the Condominium Board may, in its sole discretion and without the consent of the Residential Unit Owners, grant permission for the use of any Residential Unit as a professional 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 for the Building. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior approval of the Condominium Board before using such Residential Unit for any purpose other than that set forth in subsection (B) hereof.

(D) Notwithstanding anything to the contrary contained in this section 5.7, Sponsor may, in its sole discretion and without the consent of the Condominium Board or the Residential Unit Owners, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided the nature and manner of such use complies with Law and does not violate the then existing certificate of occupancy for the Building or any other applicable governmental regulations, (2) use any Unsold Residential Units as model Residential Units and offices for the selling, leasing, management, operation and promotion of the Unsold Residential Units or for any other purpose, subject only to compliance

with Law, and (3) lease any Unsold Residential Unit to third parties for either long term or short term stays, in compliance with Law.

Section 5.8 *Use of the Common Elements*.

(A) Subject to the terms of subsections (B) and (C) of this section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as a Storage Locker Area) without the prior approval of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Residential Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Residential Units serviced or benefited by any General Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned, or delayed), have the right to use such General Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interest shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such General Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of subsection (A) of this section 5.8 shall not apply to Sponsor for so long as there are any Unsold Residential Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Residential Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Residential Unit, and the Condominium Board shall have the right to lease, sublease, license, sell or otherwise convey to a Residential Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements were reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Use of the Storage Lockers and Parking Units.*

(A) A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item be stored therein.

(B) A Parking Unit may be used only for the parking of passenger vehicles. No representation is made as to the type or size of vehicles that can be accommodated in any particular Parking Unit.

(C) No Storage Locker or Parking Unit may be used for any Prohibited Use. The use of a Storage Locker or Parking Unit for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or other Residential Unit Owner as a result of any Prohibited Use of a Storage Locker or Parking Unit shall be borne by such Residential Unit Owner.

(D) Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium Board or the Residential Unit Owners, use any Unsold Storage Locker or Unsold Parking Unit for any purpose permitted by Law or to change the permitted use of an Unsold Storage Locker or Unsold Parking Unit, subject to the provisions of the By-Laws. A Storage Locker or Parking Unit may only be licensed or conveyed, as applicable, to another Residential Unit Owner or a Purchaser who is simultaneously purchasing a Residential Unit and in no event shall be transferred independently of the ownership of a Residential Unit.

(E) As shown on the Floor Plans, the Parking Unit labeled "Parking #01" has been designated as a handicapped Parking Unit ("Handicapped Parking Unit"). The purchase of the Handicapped Parking Unit and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

(i) In the event a present or future Residential Unit Owner, or a member of his or her family residing in the Residential Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and such Residential Unit Owner is the owner of a Parking Unit other than the Handicapped Parking Unit, such Residential Unit Owner may require the owner of the Handicapped Parking Unit to convey, by deed, the Handicapped Parking Unit he/she owns with such handicapped Residential Unit Owner's Parking Unit.

(ii) In the event a present or future Residential Unit Owner or member of his or her family member residing in the Residential Unit, becomes handicapped and does not own a Parking Unit, such Residential Unit Owner has the right to demand that the owner of the Handicapped Parking Unit convey the Handicapped Parking Unit at then current fair market value to such handicapped Residential Unit Owner.

(iii) All costs and expenses associated with the transfer of title to the Parking Units, including, without limitation, title abstracts, title insurance, transfer taxes, recording fees and reasonable attorney fees shall be borne by the party acquiring the Handicapped Parking Unit. An owner of the Handicapped Parking Unit must comply with the aforementioned demand upon thirty (30) days' written notice.

(iv) If the parties cannot agree on the fair market value of the Handicapped Parking Unit, the parties agree to submit the matter to binding arbitration in accordance with Article 10 of the By-Laws

(F) The Condominium Board has the authority to promulgate additional rules and/or restrictions regarding the use of, insurance coverage for, and access to the Storage Lockers and Storage Locker Areas and Parking Units and Parking Unit Area.

Section 5.10 *Rights of Access.*

(A) Each Residential Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any) or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Residential Unit and its appurtenant Limited Common Elements, if any, any Storage Locker and Storage Locker Area, and any Parking Unit and Parking Unit Area for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Residential Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit, Storage Locker, or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Residential Unit, or to any other Residential Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Sponsor and its contractors, subcontractors, consultants, materialpersons, agents and employees will have a right of access to each Unit and to all of the Common Elements (including Limited Common Elements and Storage Lockers) for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit and/or any appurtenant Limited Common Elements for their permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an emergency (i.e. a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least

66 2/3% of all Residential Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Residential Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would adversely affect Sponsor without the prior written consent of Sponsor.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Residential Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Residential Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Residential Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the Residential Unit Owners as a Common Expense for such portion attributable to the Residential Units and/or the General Common Elements and/or the Limited Common Elements. In the event there is a particular or unique use being made of a Residential Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Residential Unit Owners as a Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Residential Unit and water charges and sewer rents are billed directly to a Residential Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Residential Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Residential Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the Residential Unit Owners as a Common Expense for such portion attributable to the Residential Units and/or the General Common Elements and/or the Limited Common Elements. In addition, the cost of submetering shall be a Common Expense.

Section 5.15 *Electricity.*

(A) Electricity for each Residential Unit shall be either individually direct metered or submetered for each Residential Unit (or portion thereof).

(B) If individually direct metered, each Residential Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Residential Unit Owner's Residential Unit (or portion thereof) and in the Limited Common Elements to which such Residential Unit has exclusive access.

(C) If the Residential Units are submetered, each Residential Unit Owner shall be required to pay bills for electricity consumed in such Residential Unit Owner's Residential Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Residential Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Residential Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Residential Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-Laws.

(D) Electricity for the Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Common Charges.

(E) In addition, the cost of submetering shall be a Common Expense.

(F) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-Laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Residential Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Residential Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Residential Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Residential Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with

Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Residential Unit Owners other than Sponsor. All Residential Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the Common Elements shall be levied against all Residential Unit Owners in proportion to their respective Common Interest. Special Assessments relating to the Storage Lockers and Parking Units shall be levied solely against all Residential Unit Owners owning such Storage Lockers or Parking Units. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Residential Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Residential Unit Owners and shall be collected on behalf of the Residential Unit Owners by the Condominium Board and applied against the Common Expenses attributable to the Common Elements for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Residential Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses attributable to the Common Elements for the next succeeding year(s) of operation. No Residential Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Residential Unit Owners pro-rata in proportion to their respective Common Interest. Any such distributions must be made by adjusting the Common Charges collected from Residential Unit Owners.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Residential Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien,

however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in subsection (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium, including, without limitation, any insurance premiums and reserves required by lenders are paid by either (i) Sponsor, or (ii) all Unit Owners, including, without limitation, Sponsor with respect to Unsold Units, in proportion to their respective percentages of Common Interest. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time the same is levied.

(D) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Common Interest then appertaining to the Unsold Units constitute 15% or less of the total Common Interest then appertaining to all Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of subsection (C) hereof). Except as expressly provided to the

contrary in subsection (E) of section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* 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 a foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of subsection (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection, including, but not

limited to, attorneys' fees, costs and disbursements, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Residential Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Residential Unit Owner shall at any time lease the Residential Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Residential Unit Owner, and apply the amount to pay sums due and to become due from the Residential Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Residential Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Residential Unit Owner, or a release or discharge of any of the obligations of the Residential Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Residential Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Residential Unit Owner and shall constitute Common Charges payable by such Residential Unit Owner.

ARTICLE 7

SELLING AND LEASING OF RESIDENTIAL UNITS AND CONVEYANCE OF STORAGE LOCKERS AND PARKING UNITS

Section 7.1 *General.* Subject to the terms of section 7.5 hereof, each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than 1 year, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board. Any purported sale or rental consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit together with its Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Residential Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in subsection (A) of this section 7.2 shall constitute an offer by the Offeree Residential Unit Owner to sell the Residential Unit, together with its Appurtenant Interests, or to lease the Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in section 7.3 hereof. The giving of such notice shall further constitute a representation by the Offeree Residential Unit Owner to the Condominium Board, on behalf of all Residential Unit Owners, that such Offeree Residential Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Residential Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Residential Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in subsection (A) hereof together with such further information as may have been requested pursuant to the terms of subsection (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Residential Unit Owner to any requests for additional information pursuant to the terms of subsection (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law in connection with its exercise of its right of first refusal with respect to the sale or rental of a Residential Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease

Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Residential Unit Owner) in accordance with the terms of subsection (C) of section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Residential Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Residential Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Residential Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Residential Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, all New York State and New York City Transfer Taxes) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Residential Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Residential Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Residential Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Residential Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of section 7.2 hereof within the respective times set forth in subsection (C) thereof, the Offeree Residential Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Residential Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Residential Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Residential Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, the Offeree Residential Unit Owner shall be required again to comply with all of the terms and provisions of section 7.2, 7.3 and 7.4 hereof, but

not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior approval of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior approval of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of section 7.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Residential Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Residential Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing such person's affairs, then such Residential Unit shall be held by the

personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof:

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Residential Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(C) provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.6 *No Severance of Ownership.* No Residential Unit Owner shall execute any deed or other instrument conveying title to the Residential Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Residential Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Residential Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Residential Units. Nothing contained in this section 7.6, however, shall prohibit the lease of any Residential Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges and Fees.* No Residential Unit Owner shall be permitted to convey or lease the Residential Unit unless the Residential Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Residential Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Residential Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board and (iii) paid in full to Sponsor the Resale Fee pursuant to the Purchase Agreement. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Residential Unit, a sale may take place notwithstanding the foregoing. Notwithstanding the foregoing, the imposition of any fees by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Residential Units shall not apply to the sale lease, sublease, license or conveyance of a Residential Unit by the reasons set forth in subsections 7.5(B) (ii), (iii), (iv) and (v) of this Article 7.

Section 7.8 *Intentionally Omitted..*

Section 7.9 *Gifts and Devises, Etc..* Any Residential Unit Owner shall be free to convey or transfer the Residential Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Residential Unit Owner. If the information provided by the Residential Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees, costs and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the defaulting Residential Unit Owner as an additional Common Charge.

Section 7.12 *Conveyance of Storage Lockers and Parking Units.*

(A) Except for Sponsor, no Residential Unit Owner shall be permitted to assign, convey or lease, as applicable, its Storage Locker or Parking Unit to anyone other than a Residential Unit Owner or a Purchaser simultaneously purchasing a Residential Unit. A Residential Unit Owner may lease its Storage Locker or Parking Unit only if it is leasing same to a lessee of its Residential Unit, and provided that its Residential Unit is duly leased in compliance with this Article 7. A Storage Locker License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Condominium Board) provided (i) the assignee is another Residential Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Locker License; (iii) notification of the assignment is promptly delivered to the Condominium Board in compliance with its requirements; and (iv) all unpaid Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) Any purported sale or rental consummated in default in the applicable terms of this Article 7.12 hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or renting Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

(C) An Storage Locker License shall automatically terminate at such time as the Licensee no longer owns a Residential Unit, unless the Storage Locker License is assigned to and assumed by another Residential Unit Owner in accordance with the terms of the Storage Locker License and these By-Laws. A Licensee may also voluntarily surrender an Storage Locker License to the Condominium Board. The Condominium Board may elect to terminate an Storage Locker License in the event that the Licensee defaults in its obligations under the Storage Locker License beyond any applicable cure periods or as otherwise provided for in the Storage Locker License. Upon the surrender or termination (for any reason whatsoever) of an Storage Locker License, the Condominium Board shall have the right in its sole discretion to issue a new Storage Locker License for the Storage Locker to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate in its sole discretion and without any obligation to compensate the former Licensee therefor.

(D) The Condominium Board has the authority to promulgate additional rules and/or restrictions regarding the procedures for assigning, transferring, surrendering, terminating, and/or otherwise conveying the Parking Units and Storage Lockers.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in section 8.2 hereof. Any Unit Owner who mortgages its Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this section 8.1, however, shall not apply to Sponsor.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Intentionally Omitted*.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of subsection (B) of this section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this subsection (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Residential Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

Section 8.7 *Notice to Permitted Mortgagees* .

(A) The Condominium shall provide written notice to the Permitted Mortgagees of each of the following events, to the extent applicable:

(i) any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days. If the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

(ii) if requested in writing by a Permitted Mortgagee, any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. In such event, the Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee.

(iii) if requested in writing by a Permitted Mortgagee, any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit.

(iv) if requested in writing by a Permitted Mortgagee, a lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(v) if requested in writing by a Permitted Mortgagee, any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its Members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit 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 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/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.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor shall give to Sponsor the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of section 9.1 or

subsection (A) of section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of subsection (B) of section 9.2 hereof, shall be immediately payable by (a) in the event set forth in provision (i) of this section 9.4, such Unit Owner to the Condominium Board or (b) in the event set forth in provision (ii) of this section 9.4, the offending party (i.e. the Condominium Board or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses, to be borne by all Unit Owners.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in section l.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Residential Unit Owner other than Sponsor, to such Residential Unit Owner at Residential Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS AND RULES AND REGULATIONS

Section 12.1 *General.*

(A) All the provisions of this section 12.1 are subject to the provisions contained in section 12.2 and 12.3 hereof with respect to amendments, modifications, additions or deletions affecting Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, or any Permitted Mortgagee.

(B) Any provision of these By-Laws affecting the (i) General Common Elements or all Residential Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting in accordance with the provisions of section 4.10 hereof. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Residential Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

Section 12.2 *Special Amendments.*

(A) Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Residential Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Residential Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Residential Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Rules and Regulations as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property; or

(v) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of provision (i) or (ii) of this subsection (A) shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

(B) Any amendment to these By-Laws may be executed; (i) if on behalf of Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 12.2(A) hereof, by Sponsor or the Development Rights Owner, or (ii) if on behalf of the Residential Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Residential Unit Owners pursuant to the terms of the Declaration or these By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Residential Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of the Declaration or these By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Residential Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(C) Notwithstanding anything contained in the Condominium Documents to the contrary, if any Residential Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Residential Units owned by such Residential Unit Owner by either (w) subdividing a Residential Unit(s) into two or more separate Residential Units, (x) combining a Residential Unit into one or more Residential Units, (y) altering the boundary walls between any adjacent Residential Units owned by such Residential Unit Owner, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the owner of such Residential Unit) which exclusively benefit a Residential Unit into such Residential Unit, then the Condominium Board on behalf of such Residential Unit Owner and at the Residential Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to these By-Laws and other documents which are necessary or appropriate to reflect the changes made by the Residential Unit Owner, all without the approval of the other Residential Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest of any other Residential Unit, or (2) require a physical modification of any other Residential Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Residential Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

Section 12.3 *Special Consents.*

(A) *Intentionally omitted*.

(B) Notwithstanding anything contained in the Condominium Documents to the contrary, the provisions of this Article 12 may not be modified, amended, added to or deleted, in whole or in part, without the written consent of Sponsor if the same relate to Sponsor.

(C) *Intentionally omitted*.

(D) Notwithstanding the provisions of section 12.1(B), the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of these By-Laws.

(E) Subject to the rights of Sponsor set forth herein, the foregoing Section 12.1 of these By-Laws may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Residential Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

(F) Notwithstanding anything contained in the Condominium Documents to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, subsection (B) or subsection (C) of section 6.2, provision (iv) or (v) of subsection (B) of section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. If the Permitted Mortgagees fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees shall be assumed.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Residential Unit Owner, an occupant of a Residential Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of

any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or any Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor or the Development Rights Owner, solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Rules and Regulations and the Tax Lot Drawings, 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 Residential Unit Owners and their authorized agents during reasonable business hours. Each Residential Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of

such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Residential Units are and will be used by individuals for residences.

*** * * * ***

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ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that care-givers in the employ of Residential Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Residential Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Residential Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, Terrace or placed upon the window sills of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

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

10. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the

Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Unit.

11. There shall be no barbecuing in the Residential Units or in the Common Elements, including any Limited Common Elements, except on the roof.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Residential Unit Owner's Residential Unit or its appurtenant Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, the Condominium Board, all Residential Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations adopted by the Condominium Board with respect thereto, including without limitation, the number of such pets. Notwithstanding the foregoing, the Condominium Board shall have the right to adopt a no-pet policy for the Building or policies with respect to size or number of pets per Residential Unit. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

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

16. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld, conditioned, or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be borne by the Residential Unit Owner. It is the

responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) to make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) to otherwise ensure that all operable windows located in the Residential Unit comply with Law. Residential Unit Owners and their Permitted Users are prohibited from modifying or tampering with any window guards and/or window stops installed in the Residential Unit.

18. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Limited Common Elements, if any, without the prior approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

19. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

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

21. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of the Residential Unit.

22. Each Unit Owner shall keep the Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

23. The access doors located in various portions of the ceiling of the Residential Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

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

25. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the

Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

26. If any key or keys are entrusted by a Residential Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Residential Unit or an vehicle, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

27. Residential Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful Terrace or common amenity area at the time in questions.

28. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

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

30. No Residential Unit Owner shall install any plantings on any Terrace or roof without the prior approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Residential Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

31. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in any way, without the prior approval of the Condominium Board.

32. No Residential Unit Owner may install or place speakers on a Terrace appurtenant to a Residential Unit.

33. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

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

35. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to Residential Unit Owners or occupants or interferes with the peaceful possession or proper use of the Property by Residential Unit Owners or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Residential Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

36. Any standing or parking in the entrance to the Parking Unit Area, (i) which would prevent ingress or egress for other vehicles or (ii) for other than a limited period of time for such pick-up or discharge of vehicles is strictly prohibited. The Building staff of the Condominium shall have the right to require any standing or parked vehicle determined to be in violation of these provisions (in their sole discretion) to immediately vacate the vehicle loading area.

37. Residential Unit Owners and their respective Family Members, guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

38. Due to the risk of pipe ruptures, water damage, and other risks associated with freezing pipes, Residential Unit Owners whose Residential Units have appurtenant Terraces are required to shut off all water spigots located on their respective Terraces during winter months and otherwise during cold weather. If any maintenance, repairs, or replacements to any water spigots, piping, conduits, or other property (regardless whether a part of the Residential Unit or a Common Element) are necessitated by the failure by a Residential Unit Owner to comply with the foregoing provision, the entire cost and expense thereof shall be borne by such Residential Unit Owner.

39. Residents are obligated to comply with the Building's smoking policy ("Smoking Policy"), which is annexed hereto and made a part hereof. Violations of the Smoking Policy may be addressed by the Condominium Board in accordance with the By-Laws, including, without limitation, the imposition of fines or penalties against the Unit Owner in accordance with subsection 2.4(A)(xvii) of the By-Laws..

RULES AND REGULATIONS
SMOKING POLICY
FOR 208 Delancey Condominium

1. For the purpose of this smoking policy, the term "smoking" and similar terms means inhaling, exhaling, burning, or carrying any lighted cigar, pipe, cigarette, e-cigarette or other tobacco or non-tobacco smoking product in any manner or in any form.

2. No Residential Unit Owner, tenant, occupant, or any other person (including, without limitation, invitees, guests or contractors) occupying or visiting a Residential Unit shall smoke (i) in any common area of the building, including, without limitation, all building entrances, elevators, hallways, basement, stairwells, fire stairs, amenity areas, and driveways, and (ii) within a radius of thirty (30) feet outside all entrance doors of the building ((i) and (ii) collectively "Prohibited Smoking Locations").

3. Persons may smoke within a Residential Unit and on a terrace or balcony exclusive to a Residential Unit, provided however that such smoking does not trigger complaints of smoke odors permeating into other Residential Units or Prohibited Smoking Locations in the building. If the Condominium receives, and notifies the Residential Unit Owner of, complaints regarding smoke odors permeating from their Residential Unit, or any terrace or balcony exclusive thereto, into other Residential Units or Prohibited Smoking Locations, the Residential Unit Owner shall be obligated, at their sole cost and expense, to take all steps necessary to cause such complaints to cease, including but not limited to sealing holes, gaps and cracks in the Residential Unit, installing air purifiers, and creating necessary pressure differentials.

4. Each Residential Unit Owner shall inform all persons that do or will occupy or enter a Residential Unit of this policy and shall be responsible for violations thereof. In the event of any violation of this policy, the Condominium Board shall impose a fine of $250.00 per occurrence on the common charge account of the Residential Unit.

5. Each Residential Unit Owner shall inform their household staff, co-occupants and guests of this policy.

6. A Residential Unit Owner who leases their Residential Unit shall include a copy of this policy as an attachment to such lease.

7. A Residential Unit Owner who violates this policy, or whose co-occupant, guest or other invitee violates this policy, shall be deemed to have agreed to indemnify, defend and hold harmless the Condominium from, against and with regard to any loss or damage which the Condominium may incur, or any claim that may be asserted against the Condominium, as a result of such violation of this policy, including, without limitation, the amount of reasonable attorneys' fees and disbursements incurred by the Condominium in connection therewith.

8. Any monetary obligations by a Residential Unit Owner to the Condominium under this policy shall be deemed additional common charges under the by-laws of the Condominium. This smoking policy shall be deemed part of the Rules and Regulations of the Condominium, and shall be included in the purchase and leasing waiver application packages of the Condominium, and as part of all leases of Residential Units in the Condominium.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

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UNIT POWER OF ATTORNEY

Terms used in this Residential Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as 208 Delancey Condominium ("Condominium") and by the street number 208 Delancey Street, New York, New York 10002 under Article 9-B of the Real Property Law of the State of New York, dated [_____], and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [_____], as CRFN# [_____] ("Declaration"), or (b) in the By-Laws of 208 Delancey Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

[Applicable to Residential Unit Owners of Residential Units only]: The undersigned, _____, (having an office) (residing at) _____, the owner of a Residential Unit _____ ("Residential Unit") in the Condominium which is designated and described as the Residential Unit in the Declaration and also designated as Tax Lot _____ in Block 343 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Residential Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of their Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Residential Unit, Parking Unit or Storage Locker (including, but not limited to, a resident manager's Residential Unit, if any), together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, Parking Unit or Storage Locker together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit, Parking Unit or Storage Locker so acquired or to sublease any Residential Unit, Parking Unit or Storage Locker so leased;

(d) acquire, mortgage, lease, sublease, license, convey or otherwise deal with a resident manager Residential Unit, if any, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners; and

(e) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Residential Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Residential Unit _____ ("Residential Unit") in the Condominium which is designated and described as the Residential Unit in the Declaration and also designated as Tax Lot _____ in Block 343 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint NERE LI Development LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Residential Units and/or the reapportionment of the Common Interest of the affected Unsold Residential Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Residential Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Tax Lot Drawings; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Residential Unit, (ii) require a material, physical modification to the Undersigned's Residential Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Residential Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Residential Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a PCO has been issued for the Property; and

(b) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration.

(c) to close out or otherwise assume complete control over any open applications and/or permits associated with any work commenced by any Residential Unit Owner (including, without limitation, to substitute the person who opened the application or permit with an architect chosen by Sponsor) and otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), pursuant to Sponsor's rights under subsection 5.2(F) of the By-Laws.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT ON FOLLOWING PAGE)

(ACKNOWLEDGEMENT)

STATE OF _____)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

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UNIT OWNER'S SPECIMEN TITLE POLICY

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First American Title Insurance Company

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006) WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

SCHEDULE A

Policy No PROFORMA

Title Number	**Effective Date**	**Amount of Insurance**
LL-34045-21-NY	_____	$0.00

1. **Name of Insured:** _____

2. **The estate or interest in the land which is covered by this policy is:** Fee Simple

3. **Title to the estate or interest in the land is vested by:**

   _____ who acquired title by deed from Nere Li Development LLC dated _____ and recorded in the Office of the Clerk Register of the County of NEW YORK.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

   For Information: Premises known as: 208 Delancey Street, New York, NY 10017
   Block: 343
   Base Lot: 68
   Unit Lot: TBD

_____
Authorized Signatory

First American Title Insurance Company

SCHEDULE A
DESCRIPTION OF PREMISES

Title No. LL-34045-21-NY
Policy No. PROFORMA

****UNIT DESCRIPTION IS TO BE SUPPLIED UPON RECORDING OF CONDOMINIUM DECLARATION****

The land upon which the Building containing the Unit is erected is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, more particularly bounded and described as follows:

BEGINNING at a point on the westerly side of Pitt Street, distant 75.00 feet northerly from the corner formed by the intersection of the westerly side of Pitt Street and the northerly side of Delancey Street;

RUNNING THENCE northerly along the westerly side of Pitt Street, distant 53.00 feet;

THENCE westerly and parallel with the northerly side of Delancey Street, distant 100.00 feet;

THENCE southerly forming an interior angle of 89 degrees 45 minutes 58 seconds with the last mentioned and parallel with the westerly side of Pitt Street, distant 128.00 feet to the northerly side of Delancey Street;

THENCE easterly along the northerly side of Delancey Street, distant 75.00 feet;

THENCE northerly forming an interior angle of 89 degrees 45 minutes 58 seconds with the northerly side of Delancey Street, distant 75.00 feet;

THENCE easterly and parallel with the northerly side of Delancey Street, 25.00 feet to the point or place of BEGINNING.

First American Title Insurance Company

Policy No PROFORMA
Title No LL-34045-21-NY

SCHEDULE B

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. All unpaid taxes, water and sewer rates and assessments accruing since the last actual reading that have not become a lien up to the date of policy and installments due after the date of policy.

2. Rights of tenants or persons in possession.

3. Covenants, conditions, easements, leases, agreements of record, more fully set forth herein.
   a. Easement for Light and Air recorded in Sec. 2 Liber 131 Page 98;
   b. Covenants and Restrictions recorded in Liber 568 Page 479;
   c. Telephone Easement recorded in Reel 1567 Page 919;
   d. Lot-line Window Restrictive Declaration recorded in CRFN 2012000081559;
   e. Light and Air Easement Agreement recorded in CRFN 2012000399691;
   f. One Dollar Condemnation Clauses in deed recorded in Reel 312 Page 1859, Reel 323 Page 767, Reel 680 Page 1519, Reel 1995 Page 1350 and Reel 2898 Page 325;

4. The Subject Property may be on the 2020 421a Compliance List. The Department of Finance will suspend 421a Benefits as of July 1, 2020, unless the owner files a Final Certificate of Eligibility prior to May 1, 2020. Policy will except loss or damage arising from the retroactive reimposition of taxes from the termination of the exemption.

5. Policy will except the terms and conditions set forth in the Declaration of Condominium and By-Laws in CRFN 2010000046366 but Company insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law as amended.

6. Any state of facts which an accurate survey may show including possible encroachment upon the unit being insured by adjoining units and possible encroachments of the insured unit upon adjoining units. Policy, however, will insure that said encroachment by the insured unit on the adjoining units may remain undisturbed.

First American Title™

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Issued by

First American Title Insurance Company

Attached to and made a part of Policy Number PROFORMA

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Greg L. Smith, Secretary

By: _____

Authorized Countersignature

ATTORNEY'S INCOME TAX OPINION

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OLSHAN

1325 AVENUE OF THE AMERICAS ▪ NEW YORK, NEW YORK 10019
TELEPHONE: 212.451.2300 ▪ FACSIMILE: 212.451.2222

February 2, 2021

NERE LI Development LLC
4918 3rd Avenue
Brooklyn, NY 11220

Re: **208 Delancey Condominium, New York, NY**

Ladies and Gentlemen:

In connection with the offering of condominium Residential Units under a plan entitled Condominium Offering Plan for 208 Delancey Condominium (the "Plan"), you have requested our opinion as Income Tax Counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for U.S. federal, New York State and New York City income tax purposes of payments of mortgage interest and real property taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

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

We understand that under the Plan each Residential Unit Owner will hold title to his Residential Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Residential Unit and its interest in the Common Elements will be taxed as a separate parcel for real property tax purposes. Each Residential Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

This opinion addresses certain of the U.S. federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for tax purposes, who purchased such Residential Unit on or after the date hereof, and who uses the Residential Unit as a qualified residence. It does not address, among other things, the tax consequences of ownership of a Residential Unit other than a Residential Unit by any person or entity; a Storage Locker or a Residential Unit by corporations, other entities or foreign persons, or individuals who are not residents of New York City, or, except as specifically discussed, by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

In our opinion under present law, subject to the limitations discussed in the following paragraph, interest on a mortgage secured by a Residential Unit paid or accrued by the owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for U.S. federal income

tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, mortgage interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return.[1] However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real property taxes assessed against a Residential Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for U.S. federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. Pursuant to changes in the 2017 Tax Cuts and Jobs Act, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any such taxable year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

We note that, with respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent as described above.

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York State and New York City income tax purposes to a resident individual.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 208 Delancey Condominium (the "Association"),

[1] Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing on or after January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for U.S. federal income tax purposes. In order for the Association to qualify as an exempt organization for U.S. federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Residential Units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a “condominium management association,” which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the Residential Units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

“Substantially all the Residential Units” of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Residential Units within the project is used by individuals for residential purposes. Residential Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Residential Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Residential Unit or building is occupied by a person or series of persons each of whom occupies the Residential Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Residential Units will be used by individuals for residential purposes and that no person may rent his Residential Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect, on an annual basis, tax-exempt status under Code Section 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to U.S. federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from U.S. federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Residential Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association," or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Association in excess of appropriate deductions and credits. Tax authorities may take the position that the Association is a separate taxable entity and that some or all of its income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to U.S. federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Residential Unit Owners. The tax treatment of the Association may be affected by certain United States Treasury Department regulations relating to entity classification.[2]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Residential Units. We express no views as to any U.S. federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Residential Unit consult with his own tax advisor concerning the U.S. federal, New York State, and New York City tax consequences of the purchase and ownership of a Residential Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event

[2] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for U.S. federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

will the Sponsor, counsel to Sponsor, income tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

ALL RESIDENTIAL UNIT OWNERS, POTENTIAL RESIDENTIAL UNIT OWNERS, THE ASSOCIATION AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH RESIDENTIAL UNIT OWNER, EACH POTENTIAL RESIDENTIAL UNIT OWNER, THE ASSOCIATION AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,



OLSHAN FROME WOLOSKY LLP

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REAL ESTATE TAX PROJECTION OPINION

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METROPOLITAN
Realty Exemptions

Office: **381 South 5th Street, Brooklyn, NY 11211**
Mailing: **118 Middleton Street, Brooklyn, NY 11206**
Phone: **(718) 387-3004 | Fax:** **(718) 228-3503**
Email: **martin@mretax.com |Web:** **www.mretax.com**

February 8, 2021

Nere Li Development LLC
4918 3rd Avenue
Brooklyn, NY 11220

RE: 208 Delancey Street
Manhattan, NY
Block & Lot: 343 - 68

Letter of Opinion regarding proposed real estate tax liabilities for the project located at 208 Delancey Street, Manhattan, NY

Project Details: Eighty-Five (85) Residential Condominium Units and Four (4) Parking Units

To Whom It May Concern;

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, to be included in the Condominium Offering Plan.

In order to prepare this letter and the opinion set forth herein, you have supplied us with the following information upon which we have relied:

1. The subject property is located at 208 Delancey Street, Manhattan, NY 10002, and is known as Block: 343, Lot 68 with the New York City Department of Finance ("DOF").

2. Sponsor is constructing a new 12-story residential building with cellar, pursuant to Department of Buildings job number **120838317** with a job type "NB – New Building".

3. The new building will consist of Eighty-Five (85) Residential Condominium Units and Four (4) Parking Units

4. According to the information provided to our firm, the approximate gross square footage of the entire building will be **83,952 SF**.

5. There will be separate condominium tax lots filed with the DOF for each residential and parking unit.

6. Based on assessment guidelines, the DOF Surveyor's Office shall class the condominium units as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

You have also supplied us with architectural drawings of the proposed building prepared by S M Tam Architect, PLLC. The data contained in the architectural drawings indicates that the building will have twelve (12) above grade levels plus a cellar, roof and bulkhead levels. Also, the building will contain four (4) parking spaces.

DOF Assessment Guidelines

The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year. Assessments in New York City are made on a fiscal year basis, beginning on July 1st of each year and ending on June 30th the following year.

The property tax assessment process commences when the city's assessors determine the market value of the property. Property tax is only levied on a portion of the market value. This portion is called the assessed value. Regarding 1-3 family homes and condominiums with no more than three (3) stories, provided such property was previous classified as class one (1), the assessed values are levied on 6% of the market value. Regarding all other properties, taxes are levied on 45% of the market value.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore, the prices that you set in your offering plan and any subsequent sales or re-sales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential units will be designated as tax class 2C property and will pay on the class 2 tax rate. Real Property tax rates set each year by the City Council are applied to these property values, to determine each homeowner's annual tax liability.

METROPOLITAN Realty Exemptions, Inc.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five-year period in equal installments. The five-year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation.

We believe there will be a substantial increase in value for 2022/23 as a result of the new construction, and that such increase will be placed on the assessment roll immediately and not subject to the limitation on increases described above. However, in future years increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessment.

Proposed Real Estate Tax Liabilities
We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) the potential income for the new structure (if operated as a rental); (c) comparable condominium projects in Manhattan (specifically, in Lower East Side and East Village neighborhoods) which have been recently constructed; (d) market conditions in the general area; (e) proposed estimate of the cost of construction; and (f) calculation of the gross floor area mentioned above.

2022/23 Projected Assessed Value and Tax Liability
Considering the aforementioned factors, we are estimating that the DOF will set the assessed value of the property (i.e., the aggregate assessment of the entire building) at approximately **$8,143,344**, following completion of construction.

Assuming the 2021 tax rate of 12.267% for tax class 2 (i.e., $12.267 per $100 of AV) remains static through the 2022/23 tax year, the projected tax liability will be **$998,944** annually for the 2021/22 tax year.

2023/24 Projected Assessed Value and Tax Liability
We anticipate that the DOF will increase the assessed value for tax year 2023/24 to be approximately **$8,306,211.**

Assuming the 2021 tax rate of 12.267% for tax class 2 (i.e., $12.267 per $100 of AV) remains static through the 2022/23 tax year, the projected tax liability will be **$1,018,923** annually for the 2022/23 tax year.

Blended Assessed Value and Tax Liability
Since the first year of condominium operation will begin on August 1, 2022 and end on July 31, 2023. Taxes for the first year of condominium will be comprised 91.67% of the taxes due for year 2022/23 (or $ $915,699 in tax liabilities) and 8.33% (or $84,910 in tax liabilities) of the taxes due for year 2023/24.

Accordingly, the blended taxes for the first year of condominium operation will be **$1,000,609** for the first year of condominium operation.

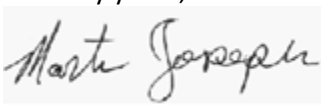
METROPOLITAN Realty Exemptions, Inc.

Disclaimer

Though the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.

Although we believe our opinions are well-founded, they are not intended, and should not be construed as warranties or guaranties or representations as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures or projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater that that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

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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)

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FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

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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.

ESCROW AGREEMENT

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ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between NERE LI Development LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 208 Delancey Condominium and located at 208 Delancey Street, New York, New York 10002 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq. and Adam Kriegstein, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York, 10005 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Offering Plan (as such term is defined in the Attorney General's regulations). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

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

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

By: _____
Name:
Title: Partner

SPONSOR:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao
Title: Authorized Signatory

CERTIFICATION OF SPONSOR AND PRINCIPAL

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**PART 20 CERTIFICATION OF SPONSOR AND PRINCIPAL(S)
CONCERNING THE OFFERING PLAN**

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

Re: Condominium Offering Plan
208 Delancey Condominium
208 Delancey Street
New York, New York 10002

We are the sponsor and the principal of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under 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:

NERE LI DEVELOPMENT LLC

By: _____
Name: Bentley Zhao
Title: Managing member

PRINCIPAL OF SPONSOR:

_____
Bentley Zhao

Severally sworn to before me
this 8 day of Feb 2021



_____
Notary Public

CERTIFICATION OF ARCHITECT

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PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT

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

Re: Condominium Offering Plan
208 Delancey Condominium
208 Delancey Street
New York, NY 10002

Dear Sir/Madam:

The sponsor of the condominium 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 S M Tam Architect, PLLC dated July 23, 2020 and prepared the Report dated February 2, 2021 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/licensed engineer in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

S M TAM ARCHITECT PLLC

By: _____

Name: Shiming Tam, R.A.

Title: Principal



(Engineer's or Architect's Seal)

Sworn to before me this
2nd day of February, 2021

_____

Notary Public

LAURENCE C. CHUI
Notary Public, State of New York
No. 01CH6092710
Qualified in Richmond County
Commission Expires May 27, 2023

CERTIFICATION OF BUDGET EXPERT

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FirstService
RESIDENTIAL

PART 20: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

February 1, 2021

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

Re: Condominium Offering Plan
The 208 Delancey Condominium
208 Delancey Street
New York, New York 10001

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes management of over 250 Condominium, cooperative and residential rental properties over the course of 25 years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

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www.fsresidential.com

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

FirstService Residential New York, Inc.

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

I certify under penalty of perjury under the laws of the State of New York and the United States of America that the forgoing is true and correct. Executed on February 1, 2021.

FirstService Residential New York, Inc.

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

REAL PROPERTY LAW SECTION 339-kk

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NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.