CONDOMINIUM OFFERING PLAN FOR
1165 Madison Avenue Condominium

1165 Madison Avenue
New York, New York 10028

TOTAL INITIAL OFFERING PRICE OF THE 12 RESIDENTIAL UNITS OFFERED FOR SALE HEREBY:	$220,575,000
TOTAL INITIAL OFFERING PRICE OF THE 12 STORAGE BIN LICENSES OFFERED FOR SALE HEREBY:	$470,000
AGGREGATE INITIAL OFFERING PRICE:	$221,045,000

(The Condominium consists of 12 Residential Units and 2 Commercial Units, and includes 12 Storage Bins available for licensing. The Commercial Units are not presently being offered for sale hereunder.)

Sponsor
1165 Madison Ave Owner LLC
c/o The Naftali Group
152 West 57th Street, 45th Floor
New York, New York 10019

Selling Agent
Compass Development Marketing Group
90 Fifth Avenue
New York, New York 10011

Date of Acceptance for Filing _____:

The term of the initial offering of this Plan commenced on _____ and expires on _____ unless said date is extended in a duly filed amendment.

SEE PAGE (vi) FOR SPECIAL RISKS TO PURCHASERS.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER CONSUMMATION OF THE PLAN, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO SPONSOR. ADDITIONALLY, THE SPONSOR CONTROL PERIOD WITH RESPECT TO THE BOARD MAY RESULT IN SPONSOR NEVER BEING REQUIRED TO RELINQUISH CONTROL OF THE BOARD. SEE SPECIAL RISKS SECTION OF THE PLAN.

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. SEE SPECIAL RISKS SECTION OF THE PLAN.

TABLE OF CONTENTS

Page

PART I

A. INTRODUCTION 1

1. The Property 2
2. Features of Condominium Ownership 4
3. Offering of Units for Sale 9
4. Offering of Storage Bin Licenses 11
5. Commercial Unit Not Offered For Sale Hereunder 13
6. Certain Definitions 14

B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS 20

1. The Building 20
2. Residential Units 25
3. Commercial Unit 26
4. Storage Bins 27
5. Amenity Spaces 29
6. Terraces 29
7. Common Elements 30
8. Available Services and Facilities 31

C. LOCATION AND AREA INFORMATION 35

1. Location and Services 35
2. Zoning 36

D. SCHEDULE B – "PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION" 48

E. COMMERCIAL UNIT 49

F. CHANGES IN PRICES, RESIDENTIAL UNITS AND STORAGE BIN LICENSES 54

G. INTERIM LEASE AGREEMENTS 57

H. PROCEDURE TO PURCHASE 59

1. Execution of Documents 59
2. Deposits/Escrow 60
3. Date of the First Closing; Closing Notices 65
4. Default 65
5. Risk of Loss 66
6. No Financing Contingency 67

7. Transfer (and Mansion) Taxes 67
8. Foreign Missions; Required Notification and Waiver of Diplomatic or Sovereign Immunity 69
9. Exemption from Interstate Land Sales Full Disclosure Act 70
10. Title Company Reporting 70
11. Notice of Effectiveness 70
12. Dispute Resolution. 71
13. Statute of Limitations. 72
14. Delivery of Closing Documents 72
15. Title Indemnity 72

I. ASSIGNMENT OF AGREEMENTS 74

J. EFFECTIVE DATE 75

K. TERMS OF SALE 77

1. Prerequisites to Closing of Title 77
2. Closing of Title; Payment of Balance of Purchase Price 77
3. Tax Returns and Power of Attorney 78
4. Risk of Loss 78
5. Tax-Deferred Exchanges 79
6. Prohibition Against Advertising and Resale 80
7. Existing Mortgages and Construction Loans 80
8. Permitted Encumbrances 80

L. UNIT CLOSING COSTS AND ADJUSTMENTS 84

M. RIGHTS AND OBLIGATIONS OF SPONSOR 92

N. CONTROL BY SPONSOR 109

O. THE CONDOMINIUM BOARD 112

1. General 112
2. Powers and Duties of and Determinations by Board 114
3. Meetings and Votes of Unit Owners 114
4. Officers 115
5. Liability of the Board and the Unit Owners 115

P. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD 116

1. Sales and Leases of Units 116
2. Use of Residential Units and Storage Bins 118
3. Issuance and Assignment of Storage Bin Licenses 119
4. General Provisions with Respect to Use 120
5. Mortgage of Units by Unit Owners 121
6. Common Charges: Determination and Assessment 121

7. Collection and Lien for Non-Payment of Common Charges....121
8. Borrowing by Board....122
9. Repairs to and Maintenance of Units and Common Elements....123
10. Alterations and Improvements of Units....125
11. Alterations and Improvements of Common Elements....126
12. Rights of Access....128
13. Compliance with Terms of Declaration, By-Laws and Rules and Regulations....128
14. Repair or Reconstruction after Fire or Other Casualty....128
15. Insurance....129
16. Liability of Board of Managers and Unit Owners....132
17. Amendments to Condominium Documents....132
18. Termination of Condominium....134
19. Units Acquired by the Board....134
20. Procedure to Review Real Estate Tax Assessments....134
21. Mechanics' Liens....135
22. Easements and Name of Condominium....135
23. Signage....135
24. Sponsor's Right to Lease Unsold Residential Units....135
25. Sponsor's Construction Loan....136
26. Prohibition on Smoking....136
27. Litigation....136
28. Restrictions on Pets....136

Q. REAL ESTATE TAXES....138

R. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM....141

1. Deductibility of Real Estate Taxes and Mortgage Interest....141
2. Taxation of the Condominium....142

S. OPINIONS OF COUNSEL....145

T. WORKING CAPITAL FUND....142

U. RESERVE FUND....144

V. MANAGEMENT AGREEMENT AND CONTRACTS....145

1. Management Agreement....145

W. IDENTITY OF PARTIES....150

1. Sponsor....150
2. Attorneys for Sponsor....150
3. Selling Agent....151
4. Managing Agent/Budget Expert....151

5. Real Estate Tax Attorney 152
6. Construction Professionals 152

X. REPORTS TO UNIT OWNERS 153

Y. DOCUMENTS ON FILE 154

Z. GENERAL 155

AA. RESERVATION OF AIR AND DEVELOPMENT RIGHTS 157

BB. SPONSOR'S STATEMENT OF BUILDING CONDITION 158

PART II

EXHIBIT

1. FORM OF AGREEMENT (INCLUDES ESCROW RIDER)
    A. FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)
    B. FORM W-8 (CERTIFICATE OF FOREIGN STATUS)
2. FORM OF RESIDENTIAL UNIT OWNER POWER OF ATTORNEY
3. FORM OF RESIDENTIAL UNIT DEED
4. DESCRIPTION OF PROPERTY AND BUILDING CONDITION
5. FLOOR PLANS
6. DECLARATION OF CONDOMINIUM
7. CONDOMINIUM BY-LAWS
8. CERTIFICATIONS
    A. SPONSOR AND PRINCIPAL
    B. SPONSOR'S ENGINEER (OR ARCHITECT)
    C. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET
    D. SPONSOR'S EXPERT CONCERNING COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT
9. FORM OF STORAGE BIN LICENSE AGREEMENT AND ASSIGNMENT AND ASSUMPTION AGREEMENT
10, REAL PROPERTY LAW SECTION 339-kk
11. FORM OF INTERIM LEASE AGREEMENT

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Use Provisions

1165 Madison Avenue Condominium will initially consist of 12 Residential Units, 2 Commercial Units, 12 Storage Bins available for license and the Common Elements. Only the Residential Units (and their appurtenant interest in the Common Elements) and Storage Bin Licenses are offered pursuant to the offering plan.

The Residential Units may generally only be used for residential purposes, and subject to compliance with the By-Laws and Legal Requirements, for a lawful home occupation. Except with respect to Unsold Residential Units, the Residential Units may be leased by the Unit Owners thereof to tenants only for periods of one year or longer, as provided in the By-Laws. Unsold Residential Units may be leased by Sponsor or by an Owner of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building.

The Owner of any Residential Unit constituting the only Residential Unit on a given floor of the Building shall have the exclusive right to use the elevator vestibule on that floor, as if such Common Element was a part of such Unit; provided however, that (i) such Unit Owner, at its sole cost and expense, shall be responsible for the operation, maintenance and repair of that portion of the Common Elements, (ii) such use shall be in compliance with all Legal Requirements, and (iii) the Owner shall not be permitted to block emergency exits or fire doors, or make any permanent installations or alterations that would impede emergency egress to or through such floor (e.g., furniture must be of a movable nature) or interfere with the Board's exercise of its easements over Common Elements, including with respect to the ability to access such floor for as may be required from time to time for maintenance, repair, or replacement concerning any Unit or Common Element.

It is currently anticipated that the Commercial Units will initially be used for retail purposes (and ancillary uses). The Commercial Units may be used for any legal purpose, provided such use is consistent with a high-end, luxury residential building in Manhattan, and further provided that certain uses are expressly prohibited, as more fully set forth in Section H of the Plan, including without limitation the following: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, a bar serving liquor, or a restaurant, café or other use where the principal business is the preparation of food and/or drink. In no event shall any use of a Commercial Unit be permitted that results in the issuance of noise, smoke, grease, odors or fumes that creates a nuisance or unreasonably interferes with the peaceful possession or proper use of the Property by Unit Owners or the occupants of their respective Units, as shall be determined in the Board's sole discretion. The Commercial Unit Owners shall not be permitted to display any merchandise or place any signage, tables, benches or other form of outside seating anywhere on the sidewalks adjacent to the Building. The Board will have no right to restrict or limit any of the uses of the Commercial Units which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Units or with respect to who the

owner(s) or tenant(s) of the Commercial Units may be at any time. As a result, one or more of the Commercial Units may be used for non-retail purposes. Sponsor reserves the right, but is under no obligation, to change the number of Units and/or Storage Bins by, among other things, subdividing and reconfiguring a Commercial Unit and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration a portion of a subdivided Commercial Unit as further described in this Plan.

Subject to the certificate of occupancy for the Building and Legal Requirements, Storage Bins may only be used for storage purposes by a Residential Unit Owner or a tenant of a Residential Unit. In no event may any of the Storage Bins be used as a dwelling space or for storing property which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Since the Storage Bins are located at the Cellar Level, a below grade area, neither the Board nor Sponsor can make any representation that the Storage Bins will remain dry or will not experience any water infiltration and neither the Condominium Board nor Sponsor will be responsible for any damage to items stored within the Storage Bins. Storage Bin Licensees who store items in the Storage Bins do so entirely at their own risk and Unit Owners are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. Those Rules and Regulations of the Condominium which are applicable to a Residential Unit and/or the Residential Unit Owner shall also be applicable to a Storage Bin and/or its licensee (each a "Storage Bin Licensee" and collectively the "Storage Bin Licensees").

As provided for in Section 6.10.5 of the By-Laws, Sponsor shall have the exclusive right to initially issue Storage Licenses for Storage Bins and to retain the proceeds thereof. Thereafter proceeds from the assignment of a Storage License shall be retained by the assignee of such Storage License. Upon the initial sale, the Board constitutes the licensor of the Storage Bin and shall be entitled to collect license fees as further set forth below.

To protect the security of the Building, any Storage Bin Licensee must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee (and Sponsor may permit the use of any unlicensed Storage Bin by any party); or (ii) to the Board, as licensee, or its designees. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bin for any lawful purpose, to change the permitted use of any unlicensed Storage Bin or to license any unlicensed Storage Bin to any individual or entity. If at any time a Storage Bin Licensee sells its Residential Unit and no longer owns any Residential Units in the Building, it shall simultaneously assign its Storage Bin License to another owner of a Residential Unit, and if it fails to do so, the Storage Bin License shall automatically terminate without any action or notice required by the Board at such time as a Storage Bin Licensee no longer owns a Residential Unit. If a Storage Bin License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to the Storage Bin License Agreement, or if a Residential Unit Owner surrenders its Storage Bin License without assigning such License to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for such Storage

Bin, upon terms and conditions determined in its sole discretion and without compensation to such Storage Bin Licensee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. Notwithstanding the foregoing, a Storage Bin Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the license for such Storage Bin, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

Holders of Storage Bin Licenses will be responsible for all costs and expenses associated with the operation of the Storage areas and will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown on Schedule A-1) of such Storage Bin, which amount shall be subject to increase based on the percentage increase in subsequent Schedule B budgets approved by the Board, or otherwise as the Board deems necessary in its discretion. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to Common Charges. Sponsor shall not be obligated to pay Storage Bin License Fees for the Unsold Storage Bins or any maintenance costs other than Sponsor's obligation to pay Common Charges for any Unsold Residential Units. Sponsor makes no representation whatsoever regarding the future license fees to Storage Bin Licensees or to the availability of such Storage Bin Licenses.

If a licensee of a Storage Bin defaults in its obligations under the Storage Bin License or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such licensee cures such default, or (ii) terminate the Storage Bin License upon thirty (30) days written notice to such licensee.

During the First Year of Operation or within the 12 months afterwards it is anticipated that the Storage Bins will be completed and, as a result, Storage Bins may not be completed or available for use at and for a period of time following the closing of title to any particular Unit. However, a Purchaser who has executed a rider to his or her Agreement to purchase a Storage Bin License will be required to consummate the purchase of its Unit and the Storage Bin License, without credit or offset, notwithstanding that the Storage Bin for which any such license pertains is not substantially complete, or not yet covered by a temporary certificate of occupancy, or not available for Purchaser's use at such time provided, however, that in such event the amount of the purchase price of the Storage Bin License will remain in the Escrow Account and not be released to Sponsor until completion of the Storage Bin, as evidenced by the issuance of a certificate of occupancy covering the Storage Bin. Further, until a temporary or permanent certificate of occupancy covering a given Storage Bin has been issued and the use of the Storage Bin is made available to its Purchaser, applicable monthly license fees for the Storage Bin License will not be collected from Purchaser.

2. Use of Unsold Residential Units

Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Person use or grant permission for the use of any Unsold Residential Unit

for any lawful purpose, including, but not limited to, the use of any Unsold Residential Unit as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable Legal Requirements.

3. Purchaser Deposits; Defaults by Purchasers

At the time an agreement to purchase a Residential Unit (an "Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to 15% of the purchase price set forth therein (the "Initial Deposit"); and an additional payment equal to 5% of such purchase price (the "Additional Deposit") is due and payable no later than the earlier to occur of: (x) six months after the date of the Agreement; or (y) 30 days after Sponsor serves Purchaser with written notice of an amendment to the Offering Plan declaring the same effective, but in no event later than the closing of title to the Unit; provided, however, that with respect to Agreements entered into after the Offering Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit due and payable upon execution of the Agreement. The deposit for the purchase of a Storage Bin License is 15% of the purchase price of the Storage Bin License, which is due in full at the time of execution of the applicable rider to the Agreement. The term "Deposit" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit, as well as in connection with the purchase of a Storage Bin License. Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to 50% of the applicable purchase price and will not be required to make an Additional Deposit. All Deposits or advances made by Purchasers prior to closing of each individual transaction will be placed, within five business days after the Agreement is signed by all necessary parties, or within five business days after receipt, in the case of Deposits or advances made subsequent to the execution of the Agreement, in a segregated special escrow account (the "Escrow Account") of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019. The Escrow Account, established at JP Morgan Chase, 280 Park Avenue, 23rd Floor, New York, New York 10022 (the "Bank"), is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to such FDIC maximum coverage.

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, TIME BEING OF THE ESSENCE, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor may cancel such Agreement and retain as liquidated damages the Deposit made by the Purchaser and any interest earned on the Deposit, as well as any amounts paid by Purchaser for additional work in the Residential Unit, together with interest earned thereon, if any. Additionally, if a Purchaser fails for any reason to close title on the originally scheduled closing date and Sponsor elects not to cancel the Agreement: (a) the closing apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; and (b) the Purchaser will be required to pay to Sponsor a per

diem amount equal to 0.04% of the Purchase Price of the Residential Unit(s) in question for each day that the closing is adjourned (or such lower daily rate which is the legal limit, if 0.04% exceeds the legal limit). In addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay. Purchasers are advised that notwithstanding the foregoing, nothing herein shall be deemed to grant Purchaser any right of rescission and/or any right to the return of all or any portion of a Deposit except as expressly set forth in the Plan.

(See the Sections entitled "Procedure to Purchase" and "Terms of Sale" in Part I of the Plan for further discussion.)

4. No Financing Contingency

A Purchaser may obtain financing from any lending institution or other source, but the obligations of a Purchaser under an Agreement are not conditioned on obtaining financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Any prospective Purchaser who executes an Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Agreement. No representation is made by Sponsor or Selling Agent as to the terms, availability or cost of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. (See the Section of this Plan entitled "Procedure to Purchase" for further discussion.)

5. Liquidated Damages

The Deposit, and all other amounts paid by a Purchaser to Sponsor pursuant to the Agreement and/or the Plan in connection with the purchase of a Unit, shall be such Purchaser's own funds (and not those of a third party). In the event of a default and the election by Sponsor to terminate the Agreement and retain the Deposit as its remedy, the Deposit previously paid (together with any interest thereon) shall be retained by Sponsor (subject to the terms of the Plan), as liquidated damages, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

6. Control by Sponsor; First Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Board. Sponsor will be entitled to designate a majority of the members of the Board at elections occurring until the earlier to occur of: (i) the fifth anniversary of the first closing of title to a Residential Unit by Sponsor pursuant to an Agreement (the "First Closing"); or (ii) the closing of title to all of the Residential Units.

Therefore, during this period (the "Sponsor Control Period") Sponsor will be able to control the maintenance and operation of, and services to be provided by, the Condominium; provided, however, that any changes made by Sponsor to Schedule B – "Projected Budget for First Year of Condominium Operation" set forth in the Plan (the "First Year's Budget") must provide for the same level of services disclosed in Schedule B – "Projected Budget for First Year of Condominium Operation". Sponsor will also be able to control the determination of the Common Charges to be paid by all Unit Owners. Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in the First Year's Budget; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium or unless any such borrowing is approved by the owners of Units representing at least 75% both in number and in aggregate Common Interests of all Units); or (vi) exercise any right of first refusal or waiver thereof to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five years after the First Closing or whenever the Unsold Residential Units constitute less than 25% of the Common Interest, whichever is sooner.

The Board shall initially consist of three members designated by Sponsor from time to time until the first annual meeting of Unit Owners (the "First Annual Meeting"), at which time the incumbent Board will resign and a new five member Board will be installed. The First Annual Meeting shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both

in number and aggregate Common Interests of all Units. From and after the First Annual Meeting, the Board will consist of five members elected and/or designated as follows: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below), and; (ii) one member designated by the Commercial Unit Owners (which may include Sponsor or a Sponsor affiliate).

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests appurtenant to the Units owned by Sponsor as it sees fit. In addition, until the expiration of the Sponsor Control Period: (i) three of the four members of the Board otherwise to be elected by the Residential Unit Owners, shall be designated by Sponsor (or other Unsold Residential Unit Owner) which members may be related to or affiliated with Sponsor or other Unsold Residential Unit Owner(s) and the fourth such member, who shall not be related to or affiliated with Sponsor or other Unsold Residential Unit Owner(s), shall be elected by the Residential Unit Owners and Sponsor and/or its designees. The Commercial Unit Owners shall at all times have the right to designate one Board member as aforesaid (even if Sponsor or its affiliate owns such Unit, and thus, in such event, Sponsor or its affiliate would be entitled to appoint, in the aggregate, four of the five members of the Board during the Sponsor Control Period).

Notwithstanding the foregoing, because Sponsor reserves the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more Units than the 15% necessary (i.e., two Residential Units) to declare this Plan effective, and thus owner-occupants may never gain effective control and management of the Condominium.

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

7. Interim Service Period

Prospective Purchasers are advised that until 12 months after the First Closing, some of the services and facilities described in the Plan may not be available, (such as some of the elevators, full staff of building personnel, the Amenity Spaces, Storage Bins, and Bicycle Storage in the Sub-Cellar and Cellar and on the Roof). However, it is anticipated that at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. The projected expenses set forth in Schedule B in Part I of the Plan reflect estimates for a fully operational Condominium, notwithstanding that certain services and facilities may not be available until 12 months after the First Closing. During any interim service period, upon the commencement of Common Charges after the expiration of any Waiver Period (as defined in Special Risk #40 below), any Common Charges collected for services or facilities that are not yet available, or are only partially available, shall be deposited into the Working Capital Fund. See the Section of the Plan entitled "Working Capital Fund" for additional information.

8. Additional Building Work

Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Unit Owners within their Units (to perform custom renovations, etc.); and (iii) Commercial Unit Owners within their Units with respect to build-out of their space.

During the First Year of Operation, and for approximately 12 months afterward, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction or renovation work, making adjustments and performing various other tasks related to the completion of Sponsor's construction work at the Building, fitting out of, and moving into, the Units and other portions of the Building. Various systems may be disrupted temporarily from time to time (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators). Residential elevators may be taken out of service and, along with personnel, diverted to facilitate construction and renovation, and exterior hoists or scaffolding may be in place, during the First Year of Operation, and for approximately 12 months afterward, and from time to time thereafter, as needed, in connection with construction and renovation being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems may require 18 months or more after the First Closing to complete.

Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will generate noise, odors, dust, debris, and otherwise create a disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners (e.g., full staff of building personnel, the Amenity Spaces, Storage Bins, Bicycle Storage Room in the Sub-Cellar and Cellar and the Common Terrace on the Roof) may not be available during the First Year of Operation, and for approximately 12 months afterward. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued by the Board (after Sponsor control or if not determined by Sponsor) or Unit Owners in the future (after having been instituted) or disrupted.

Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Unit until such time as Sponsor's construction work at the Building has been completed and permanent Certificate(s) of Occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with

respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental shutdowns, epidemics, pandemics, acts of god or other events beyond its reasonable control ("Force Majeure Events"), Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about July 1, 2023. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) subject to delays caused by Force Majeure Events, the First Closing does not occur within 12 months after July 1, 2023, subject to the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan, then in either case Sponsor will offer all affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Purchasers should note that even if the First Closing occurs on or before July 1, 2023 (or such other date projected as the date of commencement of operation at the time that Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Residential Units or for the floor on which such Residential Units are located; however, Sponsor will use diligent efforts to complete construction and perform Sponsor's obligations under the Plan. In such case, Purchaser will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER

TO PURCHASE A RESIDENTIAL UNIT.

9. Resident Manager

The Condominium does not include a Resident Manager's Unit and there is not anticipated to be a Resident Manager. In accordance with the Administrative Code of the City of New York, Section 27-2052, et seq., the Condominium Board shall be required to employ a super residing within a distance of one block or 200 feet from the dwelling, whichever is greater, to provide janitorial services, or otherwise engage a third party to perform janitorial services on a twenty-four-hour-a-day basis. The Schedule B – "Budget for the First Year of Condominium Operation" provides for maintenance services to be available on a twenty-four-hour-a-day basis. See the Schedule B in Part I of the Plan for more information.

10. Prohibition Against Advertising, Selling or Leasing

Purchasers are prohibited from selling or leasing their Unit, listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease prior to the closing of such Unit. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Additionally, Purchasers are prohibited from selling or leasing their Unit or listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease for a period of 12 months after the closing of the Unit. Any such sale or lease or listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives in violation of the foregoing sentence shall entitle Sponsor to all remedies available at law or in equity.

11. Board's Right of First Refusal

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by such Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Residential Units. It is also not applicable to any sale of any Commercial Unit. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of the Residential Unit Owners and the Board" in Part I of the Plan.

12. No Bond or Other Security

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to the Unsold Residential Units. Sponsor represents that it has the financial resources to pay such amounts with respect to the Unsold Residential Units and agrees to pay such amounts. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

13. Sponsor's Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of Units offered for sale (i.e., two Residential Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See the Sections entitled "Introduction", "Effective Date" and "Condominium Board" in Part I of the Plan for further discussion.)

14. Interim Lease Agreement

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease agreement will have no right to remain in occupancy as a tenant after the abandonment of the Plan. Additionally, in the event Purchaser rescinds the Agreement pursuant to any right of rescission granted under the Plan, the interim lease agreement shall be deemed terminated as of the date that is thirty (30) days from Sponsor's receipt of notice of rescission, and Purchaser shall be obligated to vacate the Unit, and surrender the Unit to Sponsor in the condition received, no later than that date, TIME BEING OF THE ESSENCE.

In the event a Purchaser defaults under an Agreement, and such default is not cured within 30 days of written notice, this will constitute a default under any interim lease agreement with such Purchaser, entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate the lease, whereupon lessee (i.e., Purchaser) must vacate the Unit within 10 days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit.

If Purchaser has or is given possession of the Residential Unit prior to the closing of such Unit, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Residential Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Residential Unit or its installations. However, until such closing, Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws. If during Purchaser's occupancy prior to such closing, the Residential Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss not covered by insurance carried by Sponsor with respect to the Unit as Owner of the Unit, and the obligation to repair the damage, unless the cause thereof originated outside the Residential Unit and did not result from the acts or omissions of Purchaser or other occupants of the Residential Unit or Purchaser's guests, invitees, agents or workers. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the Purchase Price and accepting delivery of the deed.

(See the Section entitled "Interim Lease Agreements" in Part I of the Plan for

further discussion).

15. Transfer Taxes; Mansion Taxes; Closing Costs

Notwithstanding the fact that the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax are, by law the primary obligation of the seller, such obligation is transferred to Purchasers pursuant to the Plan (as is customary in condominium offerings) to pay such taxes at the closing of title to their Unit(s). For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. As of the filing date of this Plan, for Purchasers whose closings will occur on or after July 1, 2019 and whose Agreements were entered into after April 1, 2019, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax ("NYC RPTT") is 1% of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax ("NYS RETT") is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Unit, and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Unit if the consideration for such Unit is $3,000,000 or more. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Section 1402-a of the New York State Tax Law, currently 1% of the total consideration paid when such consideration is $1,000,000 or more, and the New York State Supplemental Tax pursuant to Section 1402-b of the New York State Tax Law if the total consideration for such Unit is $2,000,000 or more (collectively, the New York State Additional Tax and the New York State Supplemental Tax being referred to herein as the "Mansion Tax"), which tax by law is the primary obligation of the Purchaser. The chart below sets forth the rate of Mansion Tax based on the consideration paid for a residential unit. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

Consideration amount	**NYS Mansion Tax Rate (which represents an aggregate of the New York State Additional Tax and New York State Supplemental Tax)**
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%

More than $25 million	3.9%

In addition to transfer taxes and the Mansion Tax, Purchasers shall also be obligated to pay at closing any tax relating to the purchase or sale of real estate or similar interests on the transfer of a Residential Unit enacted after the filing date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as may be amended, may be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers are further advised to consult with their attorney or a tax expert regarding the transfer or mansion taxes or other costs which may be payable in connection with closing of title. The purchase price, certain transfer taxes and any other consideration paid for a Residential Unit will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at the total consideration for transfer tax and Mansion Tax purposes. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the New York State transfer tax amount will not be included as additional consideration for purposes of calculating New York State transfer taxes. Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

Under the New York City Department of Finance's current policies, where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the higher New York City Real Property Transfer Tax non-residential rates will apply, i.e., where the consideration is $500,000 or less, the rate would be 1.425% and where the consideration is in excess of $500,000, the rate would be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. Thus, in connection with a bulk sale or otherwise, it is possible that a Purchaser could be required to pay the higher non-residential rate for purposes of the New York City Real Property Transfer tax and also pay the Mansion Tax. Sponsor makes no representation as to which transfer tax rates will apply at the time of closing of a particular Residential Unit.

(See the Sections entitled "Procedure to Purchase" and "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

16. No Reserve Fund; Working Capital Fund

Upon completion of the work being performed by or on behalf of Sponsor as described herein, the Condominium will have been newly constructed. Accordingly, Sponsor is not separately funding a reserve fund for the Condominium for the purposes of necessary repairs or capital items.

Sponsor reserves the right to have the Condominium Board fund a reserve fund. If a reserve fund line-item were to be added to Schedule B, it may be necessary to increase the Common Charges or to impose special assessments on Residential Unit Owners, subject to certain restrictions as set forth in the By-Laws. In such event, each Residential Unit Owner would be individually liable for the amount of such special assessment or increase in Common Charges payable by the Board to the extent of such Resident Unit Owner's proportionate Common Interest among all Resident Unit Owners. Based on guidelines set by the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) as of the date of filing of this Plan, in connection with a purchase of a Unit the absence of a reserve fund may prevent a Purchaser from obtaining a mortgage loan in an amount of approximately $748,000 or less.

A Working Capital Fund will be established through payments made therefor by each Purchaser at Closing, in the amount of two months' Common Charges attributable to such Unit, to be held or used for working capital and for such other appropriate purposes as the Condominium Board may determine. (See the Section entitled "Working Capital Fund" in Part I of the Plan for further discussion.)

17. Real Estate Taxes

Goldberg Weprin Finkel Goldstein LLP, having an office at 1501 Broadway, 22nd Floor, New York, New York 10036, has been engaged as Sponsor's real estate tax attorney in connection with the Plan. The estimated real estate taxes payable in respect of each Residential Unit was calculated based on estimates provided by Sponsor's real estate tax attorney with respect to anticipated assessed values and applicable tax rates for the projected First Year of Condominium Operation on the assumption that the real estate taxes for the Building payable for the First Year of Condominium Operation will be allocated to each Residential Unit on the basis of its proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units on some other basis rather than their relative Common Interests, and, if so, Units having the same or similar initial Common Interests may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax attorney and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. Further, it is expected that the real estate taxes for the second year of Condominium Operation will be higher than the projections set forth on Schedule A.

After the City of New York assesses each Unit as a separate tax lot and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments

imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units.

Subject to certain restrictions, each Residential Unit Owner may mortgage his or her Residential Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Generally, it is the opinion of Holland & Knight LLP, Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions, generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that, for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate; and

(b) "qualified residence interest" paid by such Residential Unit owner with respect to such Residential Unit.

Qualified residence interest includes interest paid by the Residential Unit Owner on debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence.

A "qualified residence" generally means: (i) the "principal residence" of the Residential Unit Owner and (ii) one other residence selected by the Residential Unit Owner, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such residence is rented at a fair value. For taxable years beginning after 2017 and before 2026, a Residential Unit Owner who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled under current Federal income tax law to deduct from his or her gross income, interest paid by him or her on acquisition indebtedness incurred with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any) does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return). Notwithstanding the foregoing, with respect to indebtedness which was incurred before December 15, 2017, a taxpayer is permitted to deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness. For taxable years beginning after 2025, a taxpayer may deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness regardless of when such acquisition indebtedness was incurred.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under

certain circumstances). The rules and limitations regarding the deductibility of home mortgage interest are complex and thus Purchasers are urged to consult their tax advisers regarding the application of such rules to them as well as regarding the deductibility of mortgage interest with respect to Residential Units for alternative minimum tax purposes (which, at present, is subject to rules different from those described above for regular tax purposes). Residential Unit Owners should consult their tax advisers regarding the effect of the alternative minimum tax.

Each Residential Unit Owner who uses such Residential Unit as a qualified residence will generally be entitled to the same deduction for mortgage interest and real property taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

The U.S. House of Representatives has passed a bill that would make the $10,000 limitation for the deduction of state and local real property taxes and all other state and local taxes permanent, but this bill has not been passed by the Senate and is not currently in effect.

Sponsor's Counsel expresses no opinion regarding any deductions with respect to the Commercial Units or Storage Bin Licenses. (See the Section of this Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium," as well as to Sponsor's Counsel's Income Tax Opinion reproduced herein for a more complete discussion.)

18. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Holland & Knight LLP ("Sponsor's Counsel"), in connection with the closing of title to such Purchaser's Unit. For each Unit, the sum of $3,850 shall be payable to Sponsor's Counsel as a per Unit base closing fee. For each issuance of a Storage Bin License, the sum of $500 shall be payable to Sponsor's Counsel as a per License base closing fee. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), and the Sponsor consents (in its sole discretion) the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $700 if the closing is held elsewhere in Manhattan; and (b) $875 if the closing is held in a borough other than Manhattan. In addition: (i) if, through no fault of Sponsor, the closing is adjourned (or is not concluded in its entirety on the day it commences), the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $500 for each adjournment (or continuation) to prepare and coordinate the new closing (or continuation); (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance; (iii) $300 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $850; and (v) Purchaser shall pay Sponsor's counsel the sum 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 any tax-deferred exchange under § 1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See the Section entitled "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

19. Construction of the Building

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, fixtures, furnishings, and other construction and design materials and details set forth therein or in Exhibit 4 in Part II of the Plan, items that are "Equal or Better" (meaning of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable), provided, however, that any material change shall be set forth in an amendment to the Plan. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform materially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. (See the Section of this Plan entitled "Rights and Obligations of Sponsor" for further discussion.)

20. No Warranty

Sponsor shall not be obligated to correct, repair or replace any conditions relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Notwithstanding anything contained herein, Sponsor is obligated to construct the

Units and Common Elements materially in accordance with the provisions of this Plan, all applicable Legal Requirements and the Description of Property and Specifications set forth in Part II of this Plan. Purchasers should consult with their attorneys as to the impact of the foregoing disclosure in the event Sponsor fails to meet its obligations under the Plan and pursuant to Legal Requirements.

Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the construction, renovation and equipping of the Building, such delivery, assignment or grant to the Board to occur as of the later of the date of recording of the Declaration or the date on which Sponsor receives such assignable warranties and other undertakings, except that warranties and undertakings received by Sponsor which relate to the appliances, equipment, furnishings or fixtures located in any Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Board on behalf of all Unit Owners as to whose Units such warranties pertain. Sponsor makes no representation and Purchasers are hereby advised that the term of any such warranty may have expired before the closing of such Purchaser's Residential Unit.

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

21. Insurance

The Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of, or any property contained in, any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if such Unit Owner is an individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings, and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. (See the Section entitled "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

As a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

22. Waiver of Diplomatic or Sovereign Immunity

Purchasers will be required to waive expressly any and all immunity from suit by Sponsor and/or the Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Board an amount equal to two years' estimated Common Charges. (See the Sections entitled "Procedure to Purchase" and "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

23. Certificate of Occupancy

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 TCO's. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCO's and PCO's are issued by the New York City Department of Buildings ("Department of Buildings" or "DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of legal use or occupancy shall be made unless a new certificate of occupancy is issued. All TCO's have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. Sponsor and its principal will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO covering the Residential Section. However, Sponsor and its principal make no representation or guarantee that DOB will issue the PCO within a two (2) year period following the date of issuance of the first TCO (which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a PCO). 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 TWO 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 Unit Owners to undertake renovations to individual Units prior to the procurement of a permanent Certificate of Occupancy, such renovations may cause additional delays in the issuance thereof, including a delay beyond two years from the date of the issuance of the first temporary Certificate of Occupancy. Notwithstanding the forgoing, Sponsor is obligated to procure the permanent Certificate of Occupancy.

Purchasers are advised to visit the Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the Department of Buildings website at: https://www1.nyc.gov/assets/buildings/pdf/cofo_guide.pdf.

Sponsor will apply for a temporary Certificate of Occupancy from the Department of Buildings prior to the First Closing, potentially on a phase by phase, floor by floor, or area by area basis, and will also apply for a permanent Certificate of Occupancy after substantial completion of Sponsor's construction work at the Building.

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

24. Terraces

Terraces are appurtenant to certain Units, as identified in Schedule A and in the Floor Plans set forth in Part II of the Plan, and are Residential Limited Common Elements available for the exclusive use of a Unit Owner of the Unit to which such Terrace, as the case may be, is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations in effect from time to time. Each such Unit Owner of a Unit containing a Terrace shall be responsible for all ordinary maintenance and cleaning of the Terrace appurtenant to its Unit; however, the costs and expenses of any repairs or replacements, structural or otherwise (unless caused by or attributable to the Unit Owner), shall be charged to all Residential Unit Owners as a Common Expense. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces. (See "Description of the Property and Improvements" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion.)

25. Lot Line Windows

Prospective Purchasers are advised that the following windows on the east façade are 'Lot Line Windows': 3S Den, 4S and 5S Kitchen, 7TH, 8TH,9TH, PHA, and PHB Master Bathrooms, PHC Lower Level Sitting Room and PHC Upper Level Eat-In Kitchen. These windows are provided with sprinklers, but may be required to be reduced in size or sealed if the adjoining property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having lot line windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. Under the applicable building code of the City of New York, lot line windows must meet certain requirements including being built of a shatter-resistant type of glass and being provided with a protective sprinkler head. In the event any of such lot line windows must be reduced in size or sealed, the owner of the affected Residential Unit shall solely bear the costs relating to such reduction or closure. As of the filing date of this Plan, Sponsor estimates the cost of same to be approximately $5,000 per window.

26. Window Treatments and Washing

In order to promote a consistent appearance of the Building from the outside, each Unit Owner will be required to install and maintain window treatments having a white or light, neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

The Building does not feature a window washing rig. The Board will arrange for

the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the building's windows. (See the Sections entitled "Introduction" and "Rights and Obligations of the Unit Owners and the Board" in Part I of the Plan for further discussion).

27. Mechanical Equipment

The Building incorporates highly sophisticated mechanical equipment, including the building back-up generator, elevator and related equipment, and HVAC equipment, designed to provide for the physical comfort and convenience of the Building's occupants. Within Residential Units and throughout the Residential Common Elements, heating and cooling from HVAC systems will be subject to normal variations and tolerances. During normal operation of this equipment (which may include required periodic testing), some occupants of Residential Units adjacent to or in the vicinity of the equipment floors, equipment areas and the roof of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Condominium Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury high-rise residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code and Title 24, Chapter 2, Section 24-201, et. seq. of the New York City Administrative Code (the "New York City Noise Control Code"). Purchasers are prohibited from impeding access to any mechanical equipment which may be located in the ceilings, walls or closets of Residential Units, including without limitation the HVAC equipment located in the ceiling above certain closets, condenser unit equipment on the floor of certain closets and other areas in Residential Units. The Condominium Board and its employees, agents and contractees may require intermittent access for maintenance, repair and replacement of such mechanical equipment, and Purchasers are prohibited from blocking such access or building any installation or fixture which inhibits such access or is otherwise in violation of applicable law.

Notwithstanding that all HVAC equipment located within a Residential Unit, including without limitation the HVAC equipment located in the ceiling above certain closets, condenser unit equipment on the floor of certain closets and other areas in Residential Units constitute part of such Residential Unit, for the proper operation and maintenance of the Building's HVAC systems, the Board shall enter into a maintenance contract on behalf of all Residential Unit Owners to service each Residential Unit's HVAC equipment. Each Residential Unit Owner shall periodically be required to provide access to their Unit and its HVAC equipment to permit routine inspection, testing, and maintenance, as well as any repairs and replacements. The cost for the maintenance service contract shall constitute a Residential Common Expense included in each Residential Unit Owner's Common Charges, except that in the event of the cost of any

extraordinary maintenance and/or repairs, i.e., any maintenance and/or repairs not included in the cost of the such elevator maintenance agreement or not otherwise covered by such agreement) shall be paid by the Board and assessed as a special assessment against the Owner of the Residential Unit exclusively served by the HVAC equipment requiring such repair and/or maintenance.

Except in the event of an emergency, Residential Unit Owners shall receive a minimum of one days' notice from Sponsor or Sponsor's agent in connection with the foregoing rights of access.

28. Treatment of Wood Floors

Certain rooms in the Residential Units will be delivered with wood floors. Purchasers are advised that differences in the relative age and source of wood materials used for flooring will result in variations in appearance from plank to plank or panel to panel. These differences can also result in the wood acclimating differently to changes in temperature and moisture. Wood is subject to changes as a result of humidity, including seasonal changes in humidity, as well as chipping, scratching, cracking, cupping and curling. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to wear and tear, including without limitation, bleaching due to sun exposure. Any exposure to the sun will subject the floors to bleaching and Sponsor makes no representation about the color or cohesion of the floor.

As recommended by the National Wood Flooring Association, 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, including with respect to the impact of humidity to avoid excessive shrinkage, cracking, swelling or cupping, 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 manufacturer's recommendations.

Sponsor makes no representation as to the number of times such floors can be sanded, if at all. Sponsor is not responsible for: (i) variations in floor level and slight separation between base and floor; (ii) variations in width, length or tone of wood floor strips or normal shrinking or expansion of wood flooring due to changes in moisture content of wood; or (iii) scratches and dents in flooring.

29. Maintenance and Variation in Stone, Marble and Other Surfaces

Maintenance and cleaning of any stone surfaces by Residential Unit Owners should be done in accordance with the recommendations of the Marble Institute of America, available at https://www.marble-institute.com/. Purchasers are advised that the appearance of natural materials such as various kinds of stone, marble, and porcelain, whether located within a Unit or as part of the Common Elements, are subject to variation, including, for example, differences in color, pattern and veining. Sponsor shall not be responsible for the repair or replacement of these materials with respect to any naturally occurring variations and conditions.

30. Fireplaces in Certain Residential Units

Certain Residential Units as identified on the Floor Plan in Part II hereof will feature fireplaces. The fireplaces will be gas burning. Each such fireplace and all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts. Purchasers of Units featuring fireplaces are advised that some flow of air into the Unit from outside the Building is typical.

31. Prohibition on Smoking

The Condominium shall be a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Residential Units, on Terraces appurtenant to Residential Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under Section 6.19 of the By-Laws, including, without limitation, such fines and penalties as the Board may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

32. Additional Units and Storage Bins

Sponsor reserves the right to change the number and size of the Units by, among other things, subdividing and reconfiguring the Units and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Unit of one type (e.g., Commercial) as a Unit of another type (e.g., Residential). In such event, the Common Interest appurtenant to any diminished Unit will decrease and such reduced Common Interest will be allocated to and/or among the newly created and/or configured Units. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such changes and to amend the Plan so as to reflect the same. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems,

conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the size, layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Unit of five percent (5%) or less, or Unit size that is diminished by five percent (5%) or less, is not material.

Sponsor also reserves the right, but is under no obligation, to change the number and size of the Storage Bins by, among other things, subdividing, combining, relocating and reconfiguring the Storage Bins, and in connection with such subdivision, combination, relocation and reconfiguration, redesignate in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin Space for another use or as Unit space. Sponsor expressly reserves the right, from time to time, to effect such changes and to amend the Plan so as to reflect the same.

Notwithstanding anything to the contrary herein, if a Purchaser with a fully executed Storage Bin Rider is entitled to a right of rescission pursuant to the terms of this Plan due to any material and adverse change with respect to the Storage Bin License or the Storage Bin which is the subject thereof, any such right of rescission shall be limited solely to the Storage Bin Rider which has been affected thereby, and if such Purchaser elects rescission with respect to the Storage Bin Rider, the remainder of the Agreement shall continue in full force and effect. In the event a Purchaser elects to rescind the Storage Bin Rider, but the remainder of the Agreement remains in full force and effect, such Purchaser shall be refunded that portion of the Deposit, if any, and to the extent set forth in the Storage Bin Rider, attributable to the Storage Bin License(s) for which the agreement is being rescinded, and the Purchase Price shall be reduced by the amount of the Purchase Price for the Storage Bin License(s), if any, and to the extent set forth in the Storage Bin Rider, for such Storage Bin License for which the agreement was rescinded. (See the Sections entitled "Changes in Prices, Residential Units and Storage Bin Licenses" in Part I of the Plan for further discussion.)

33. Sponsor's Right to Substitute Storage Bins

At or prior to delivery of the Storage Bin License to Purchaser, Sponsor has the right, with or without prior notice to Purchaser, to substitute the Storage Bin designated in the Storage Bin License (the "Original Storage Bin") or in the Storage Bin rider therefor for an alternate Storage Bin (the "Substituted Storage Bin"), provided that such Substituted Storage Bin is of equal or larger size than the Original Storage Bin and provided further fees payable by Purchaser to the Condominium in connection with such Substituted Storage Bin are comparable per square foot to those payable in connection with the Original Storage Bin. Any exercise of Sponsor's rights to designate a Substituted Storage Bin shall not result in an increased Storage

Deposit or purchase price and shall not afford Purchaser any abatement in purchase price or excuse Purchaser from its obligations under the Storage Bin License.

34. Interstate Land Sales Full Disclosure Act Exemption

The Interstate Land Sales Full Disclosure Act 15. U.S.C. §§ et seq. ("ILSA") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. ILSA requires sellers of lots in certain subdivisions to file a statement of record (the "Statement of Record") and property report (the "Property Report") with CFPB and provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the project or sale is exempt from this filing requirement.

On September 26, 2014, President Obama signed into law a bill amending ILSA to exempt sponsors of new construction condominium projects from the obligation to file a Statement of Record and Property Report. The law took effect on March 25, 2015. Accordingly, the registration and filing requirements of ILSA are not applicable to the Condominium as the Condominium is exempt from same. Thus, Purchasers will receive the Plan only, without copies of a Statement of Record and Property Report, and will not have the rights afforded purchasers of units in non-exempt projects pursuant to ILSA

35. Method for Measuring Units, Terraces and Storage Bins

The approximate floor area of each Unit has been measured horizontally from the exterior side of the exterior walls, centerline of adjacent stair wall and shared refuse room separating a Residential Unit from such stair or refuse room, and centerline of public corridor, elevator, and of partitions separation one Unit from another Unit (columns, mechanical pipes, mechanical equipment, shafts, chases and conduits are not deducted from the measurements of each Unit). In addition, with respect to Penthouse A and Penthouse B, where a non-duplex Residential Unit is the only Unit on a given floor, the square footage of the residential elevator shafts, and residential egress stairs on such floor, which are Residential Common Elements, have been included in the total square footage of that Unit. With respect to Penthouse C and Penthouse D, which are full-floor duplexes and the only Residential Units on each of the Penthouse C and Penthouse D Floors, the square footage of the elevator shafts, and residential egress stairs on the upper level have been included in the square footage of the Unit, while on the lower level the square footage of one elevator shaft has been included in its total square footage. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Residential Unit is measured vertically from the top of the finished flooring (located above the slab and sub-floor materials) to the underside of the finished ceiling, subject to normal construction tolerances and the below.

The foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceilings to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserves the right to make changes due to unforeseen conditions in accordance to the Offering Plan. Each Residential Unit will be measured vertically from the top of the concrete slab to the underside of the slab above.

The approximate top of slab (T.O.S.) to underside of slab (U.O.S.) heights and the approximate floor to ceiling heights (measured vertically from T.O.S., excluding finished floor, to finished U.O.S.) and typical dropped ceiling heights (measured from T.O.S. to finished ceiling) for the floors containing residential units are provided in the following chart. The ceiling heights will vary based on mechanical and structural conditions in the ceiling, and may be lower than the heights stated below. In conditions where the underside of slab is the finished ceiling, the ceiling height may vary, and may vary from room to room, due to as-built concrete conditions.

Each Terrace is measured horizontally from the exterior face of the exterior wall to the outside face of the parapet wall.

The storage bins are measured from outside mesh to outside mesh.

All dimensions on the Unit plans/exhibits are approximate and subject to normal construction variances and tolerances. The square foot areas determined using the methodology set forth above may not reasonably represent the actual useable floor area for each Unit or Storage Bin (measured from interior surface to interior surface). As is customary in condominiums, the square footage listed in Schedule A may materially exceed the actual usable floor area within each Unit or Storage Bin.

36. Availability of Mortgages

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the apartments in the building or group of buildings, which percentage in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building or group of buildings where an investor other than the original sponsor has an ownership interest of 10% or more. Purchasers are advised, among other things, that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include limiting the number of units that may be owned by a single owner. Thus it may be possible for a purchaser to experience difficulty obtaining a loan as a result of the foregoing. It also may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions. (See the Section entitled "Introduction" in Part I of the Plan for additional information.)

37. Sponsor's Use of the Building for Promotional Functions

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

38. Window Limit Stops

Window limit stops installed at each window appurtenant to a Residential Unit permit the window to only be opened by approximately four (4) inches. Unit Owners are not allowed to remove or dismantle such window limit stops other than where permitted by law. (See the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan for additional information.)

39. Special Allocation of Certain Common Expenses

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

40. Waiver of Collection of Common Charges by Sponsor

Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums and any reserve fund payments required by lenders under the Construction Loan. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall give all Unit Owners and Purchasers at least thirty (30) days prior notice of the expiration of the Waiver Period, and will identify the date on which the Waiver Period expired in the next substantive amendment to the Plan to be filed; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, as well as any other expenses customarily attributed to Unit Owners. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period.

Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of common charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same. (See the Section entitled "Control by Sponsor" in Part I of the Plan for further discussion.)

41. Reservation of Air and Development Rights

Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property (the "Development Rights") and not used in connection with the original construction of the Building as described in this Plan, if the Building is ever upzoned, meaning that the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation. As a result, if the Building is ever upzoned, unless Development Rights are separately acquired on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, if the Building is ever upzoned, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected. See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further detail.

42. Alterations by an Initial Purchaser of an Unsold Residential Unit

An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. In no event shall Sponsor's consent to any alterations exempt such work from Sponsor's rights to impose additional requirements where such work could impact Sponsor's ability to obtain a permanent Certificate of Occupancy for the Building. As more particularly set forth in Special Risk 8 above, such work by an initial purchaser of an Unsold Residential Unit in or to such purchaser's Unit, may create noisy and otherwise disruptive conditions in the Building during the period such work is being performed. (See the Section of the Plan "Rights and Obligations of the Unit Owners and the Board" for further discussion.)

43. Tenant Protection Plan

As required under Section 28-104.8.4 of the New York City Building Code (the "New Code" as enacted 2008), since the Building is expected to be occupied by tenants and/or

Unit Owners prior to the time when a permanent Certificate of Occupancy can be obtained, a tenant protection plan will be on file in the Building's management office.

44. Roof Rights/Easements

Until such time as no Unsold Residential Units are remaining in the Condominium and provided there is no material adverse effect on the Condominium, Sponsor and/or its designees have with respect to the roof of the Building, the exclusive right (and such easements as shall be necessary or useful) at any time and from time to time at its sole cost and expense, to exclusively erect, use, lease, license, maintain, repair, replace and operate a structure, platform or other installation for any purpose permitted by Legal Requirements, including without limitation, for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other equipment; provided, however, that such portion of the roof of the Building has not been expressly designated under this Plan (and actually used) for the exclusive or common use of one or more Residential Unit Owners, or for the location of any other Building equipment, and further provided that that Sponsor shall give prior notice to the Board for information purposes only of the type and location of such structure or installation. Sponsor has the further right to erect, use, lease, maintain, repair, replace and operate related electronic and other equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations or rights of Sponsor and/or its designees with respect to the roof or mechanical equipment room shall be the sole obligation or right of Sponsor and not of the Condominium, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, in which case Sponsor (and not the Condominium) shall be responsible for all costs and expenses (including any increase in insurance costs) related to such right and easement. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and insurance requirements. The word equipment as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies. Sponsor's reservation of the rights in this paragraph is included in Section 14.9 of the Declaration.

45. Model Residential Unit

Purchasers are advised that there may be certain design elements displayed in the sales office or included in a model Residential Unit that are not offered for sale and not included in the Residential Units being sold. Specifically, the furniture, furnishings, materials, equipment, hardware, installations, window treatments, lighting or decorations displayed in a model Residential Unit should not be deemed to be included in the sale of a Residential Unit, except as otherwise described in this Plan. The materials, appliances and finishes, etc. in the Building and/or Residential Units are described in this Plan and are subject to modification as provided herein, and may vary from those displayed in a model Residential Unit. All dimensions in a model Residential Unit are approximate and subject to normal construction variances and tolerances. Purchasers should consult the floor plans appearing as Exhibit 5 in Part II of the Plan and consult Sponsor with any questions as to precisely what design elements their Residential Unit will include. (See

the Section entitled "Description of the Property and Improvements" in Part I of the Plan for additional information.)

46. Views from Residential Units

No representation is made regarding the views from any windows or locations in the Building and all views are subject to change at any time, for any reason, and/or may become obstructed.

No representation is made that construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows or locations in the Building. No representation is made that any trees, which may currently exist (as of the initial filing date of this Plan), be planted in the future or grow, will not result in obstruction or alteration of the views from any windows or locations in the Building. Any marketing images are representations only and do not reflect actual views. Sponsor shall have no liability to any Residential Unit Owner on account of the view from any Residential Unit or elsewhere in the Building. (See the Section entitled "Description of the Property and Improvements" in Part I of the Plan for further discussion.)

47. Building Settling

As described more particularly in the "Description of Property and Specifications" in Part II of the Plan, all buildings and the attached nonstructural components endure, and Sponsor shall not be responsible for, short and long term creep and shrinkage along with various deformations and movements under different loadings: differential column shortening, lateral story drift, building racking, deflection and thermal deformation, and similar results. Residential Unit Owners should expect structural movement that may result in uneven floors, minor cracking in partitions, floor, and ceiling finishes and other cosmetic issues, which process may be accelerated by excessive loading on Building floors, and Sponsor shall not be obligated to correct any of the foregoing conditions. The maximum weight load for the typical floor within a Unit is 40 lbs. per square foot. Notwithstanding the foregoing, Sponsor shall remain obligated to construct the Building in accordance with all applicable code and the Plans and Specifications. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

48. Flood Zone

The site is located in FEMA Flood Zone X (an area determined to be outside the 0.2% annual chance flood plain), as indicated on FEMA Flood Insurance Map #3604970089F, Panel 89 of 457, Revised, September 5, 2007. Flood insurance is not required for the Property. There are no additional building requirements directly or indirectly resulting from the Condominium's location in FEMA Flood Zone X.

49. Floor Numbering

The Building, which as of the initial date of this Plan is under construction, will feature a multi-story structure above grade, with Roof, Mechanical Equipment Platform 1, Mechanical Equipment Platform 2, Mechanical Equipment Platform 3, two levels below grade

designated as Amenity and Cellar, and with 13 floors above-grade designated as Lobby, 3, 4, 5, 7, 8, 9, 11, 12, 14, 15, 17 and 18. For the purposes of marketing, no floors has been designated as Floor 2, 6, 10, 13 or 16, though construction necessitates a consecutive numbering of floors. Therefore, two different methods of numbering floors exist. All "floor" references herein are in accordance with the marketing floor designations, unless otherwise expressly stated. (See the "Description of Property and Specifications" set forth as Exhibit 4 in Part II of the Plan for further details.)

50. Restrictions on Pets

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted, kept or harbored in a Unit unless the Board or the Managing Agent in each instance has expressly consented in writing (which writing may be in the form of an email). Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, for cause. A Residential Unit Owner may keep as pets in his or her Unit not more than two (2) domestic dogs each weighing no more than 90 lbs., domestic cats, caged birds and fish, nor shall any dog of an aggressive breed be permitted within the Building, unless the Board or the Managing Agent in any and each of the foregoing instances has expressly consented in writing (which writing may be in the form of an email), provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined an amount to be determined by the Board. 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. Each Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

51. Prohibition of Firearms

All firearms are banned from the Building. No Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall at any time have or harbor firearms while in the Building, except as approved by the Board in its sole discretion.

52. Carbon Monoxide Detectors

Owners of Class A multiple dwellings in New York City, which include condominiums, must install and maintain carbon monoxide detectors. Accordingly, all Unit Owners are required to maintain the carbon monoxide detector located within his or her Unit so that same is, at all times, in working order. (See the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan for additional information.)

53. Certification of Sponsor and Principal

Exhibit 8A in Part II of this Plan includes a certification by Sponsor and Sponsor's principal (the "Sponsor Certification") pursuant to Section 20.4(b) of the regulations issued pursuant to General Business Law, Article 23-A, as amended (the "Martin Act"). Sponsor's principal has executed the Sponsor Certification for compliance with the Martin Act and governing regulations. Sponsor's principal expressly disclaims the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium Board, on their behalf) in connection with or arising solely from their execution of the Sponsor Certification, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et. al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

54. Title Company Reporting

On January 13, 2016, the U.S. Financial Crimes Enforcement Network ("FinCEN") issued an order (as supplemented, the "Order") requiring title companies to collect and report certain information about persons involved in residential real estate transactions in New York City for closings occurring until the expiration of the effective period of such Order. Pursuant to the Order, title companies are required to disclose the identities of the beneficial owner(s) or holder(s) of twenty five percent (25%) or more of the direct or indirect equity or beneficial interests in a purchasing entity in residential real estate transactions where: (a) Purchaser is a legal entity as defined in the Order; (b) the total Purchase Price is in excess of $300,000; (c) Purchaser does not obtain external financing; and (d) the Deposit or Balance is made, at least in part, using currency, a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, virtual currency or a funds transfer. Purchasers and their attorneys should confer with the purchaser's title insurance company immediately to determine the applicability of these new requirements to this transaction and, to the extent the same are applicable, make arrangements with the title company to provide it in advance of closing with any necessary information in order to permit the title company to insure title and comply with the title company's closing and reporting requirements under the Order. Sponsor shall have no obligation whatsoever in connection with satisfying any requirements of purchaser's title insurer or otherwise with respect to the FinCEN Order; and Purchaser will be fully liable for any additional costs or delays to Closing relating thereto. As of the initial filing date of this Plan, as used herein, "legal entity" is defined in the Order as including United States or foreign corporations, limited liability companies, partnerships or other similar business entities, other than a business whose common stock or analogous equity interest are listed on a securities exchange regulated by the Securities Exchange Commission ("SEC") or a self-regulatory organization registered with the SEC, or an entity solely owned by such a business. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further discussion.)

55. Costs of Enforcing and Defending Agreement

In the event that Sponsor is the prevailing party in any action brought pursuant to the Plan, a Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under an Agreement or, in the event a Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or

otherwise enforcing a Purchaser's obligations thereunder. 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 Agreement where Purchaser is the prevailing party in such action pursuant to a final non-appealable order by a court of competent jurisdiction

56. Waiver of Jury Trial

Under the terms of the form of Purchase Agreement, included as Exhibit 1 in Part II hereof, and except as prohibited by Legal Requirements, Purchaser is required to waive trial by jury in any litigation arising out of, connected with, or relating to the Purchase Agreement or the relationship created thereby or in this Plan and, with respect to any matter for which a jury trial cannot be waived, Purchaser thereby shall agree to not 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. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further discussion.)

57. Prevention of Mold

Residential Unit Owners are advised that the prevention of the growth of mold in a Residential Unit is the responsibility of each Residential Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Residential Unit Owner experiences mold growth depends largely on how such Residential Unit Owner manages and maintains his/her Residential Unit. Residential Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Residential Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Residential Unit Owner's Residential Unit. At closing, the Residential Unit will be free of toxic mold. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. **Notwithstanding the foregoing, Sponsor will remediate any mold or mildew occurring within ninety (90) days after Closing, if due to a construction defect at the Building.**

58. Local Law 11 (FISP)

As set forth in the Description of Property and Specifications set forth as Exhibit 4 in Part II of the Plan, New York City Façade Inspection and Safety Program (FISP) formerly known as Local Law LL11-98 applies to the Building

Under FISP, periodic inspections are required in order to maintain a building's exterior walls and appurtenances thereto in a safe condition. A filing is required for all buildings with exterior walls or parts thereof that are greater than six stories in height, including the basement, but not the cellar, as defined in the Building Code, and regardless of the information in the certificate of occupancy.

Buildings required to file a report shall do so once every five-year report filing cycle established by the department. A report shall be filed within sixty days of the date on which the visual critical examination is completed (final inspection date) and not more than one year after

completion date of the required physical close-up inspection.

Typical components of the inspection report include a description of the building and any previous repairs or revisions to the exterior of the building, a description of the procedures used in making the critical examination, a summary of findings and recommendations, a statement of the scope of the inspection and findings, and the conclusions and a determination as to whether the building is categorized as "safe", "SWARMP", or "unsafe". The inspector looks for deterioration (cracks, spalls, joint deterioration), any movement detected, and apparent water-tightness of the exterior surfaces. Appurtenances are observed as well which include exterior fixtures, flagpoles, signs, parapets, railings, copings, guard rails, window frames, balcony enclosures, window air conditioners, window guards, flower boxes, and any equipment attached to or protruding from the façade. Balcony railings are to be inspected to ensure that their components are positively secured against upward movement. If any balcony enclosure is found not to be secured, the condition is classified as "unsafe".

A building is classified as "safe" when the condition of the building wall, any appurtenances thereto or any part thereof does not require repair or maintenance to sustain the structural integrity of the exterior of the building and that will not become unsafe during the next five years.

A building is classified as "SWARMP" (Safe with a repair and maintenance program) when the condition of the building wall, any appurtenances thereto or any part thereof is safe at the time of inspection, but requires repair or maintenance during the next five years in order to prevent its deterioration into an unsafe condition during that five-year period. The owner of the building is responsible for ensuring that the conditions described in the critical examination report as "SWARMP" are repaired and all actions recommended by the qualified inspector are completed within the time frame recommended by the qualified inspector, and are not left to deteriorate into unsafe conditions before the next critical examination. A report may not be filed describing the same condition and pertaining to the same location on the building as "SWARMP" for two consecutive report filing cycles.

An "unsafe" condition is described as a condition of a building wall, any appurtenances thereto, or any part thereof that is hazardous to persons or property and requires prompt repair. In addition, any condition that was reported as "SWARMP" in a previous report and that is not corrected at the time of the current inspection shall be reported as an "unsafe" condition. All "unsafe" conditions shall be corrected within thirty days from the submission of the critical examination report. The owner of the building shall immediately commence such repairs or reinforcements and any other appropriate measures such as erecting sidewalk sheds, fences, and safety netting as may be required to secure the safety of the public. Within two weeks after repairs to correct the unsafe condition have been completed, a final inspection of the premises is needed to obtain permit sign-offs and an amended report shall be filed with the department stating the revised report status of the building.

The LL11-98 (FISP) requirements for new building state that a report shall be filed five years from the date the first temporary certificate of occupancy is issued if that five-year date falls within the applicable filing window according to the last digit of the building's block number. If the five years from the date the first temporary certificate of occupancy or permanent certificate

of occupancy issued falls outside the applicable filing window, according to the last digit of the building's block number, then the initial report shall be filed within the applicable two-year filing window for the next five-year cycle.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction. Based on the anticipated completion of construction date of December 2023. The initial critical examination of the building shall be conducted in 2028, the fifth year following the erection of the exterior walls and I or enclosures inspection. Based on the current NYCDOB schedule the inspection will be scheduled during Cycle 10.

Compliance with FISP, including, but not limited to, hiring an architect or engineer to perform an inspection and filing a report with DOB, and any costs associated therewith shall entirely be the responsibility of the Condominium Board, and not of Sponsor. Purchasers are advised that costs associated with Local Law 11-98 (FISP) inspections could be substantial and may include installation of construction bridges and other scaffolding as required by DOB for extended periods of time. (See the "Description of Property and Specifications" set forth as Exhibit 4 in Part II of the Plan for further details.)

59. Sponsor's Construction Loan

Sponsor has obtained a construction loan encumbering the Property from Bank Hapoalim B.M. (the "Construction Loan"), having an address at 1120 Avenue of the Americas, New York, NY 10036. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Purchasers are advised that should the Construction Lender assume Sponsor's obligations hereunder pursuant to the Construction Loan, such event shall not be deemed material and adverse and will not give rise to a right of rescission.

60. Mortgage Tax Credit/Assignment of Mortgage

In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a loan secured by a mortgage (the "Purchaser Mortgage"), Purchaser shall cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchaser Mortgage as determined by Sponsor. Upon such assignment, the Purchaser Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of the mortgage tax credit, which Purchaser receives as a result of such assignment, and the Purchaser will pay to Sponsor an amount equal to such exemption. In no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser.

Accordingly, at the closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. Purchaser shall also be responsible for the payment of any costs associated with the assignment of the mortgage. Notwithstanding the foregoing, Purchaser shall not be required to pay an amount for mortgage tax in excess of that which would otherwise be due and payable on the transaction in the absence of such assignment. Purchasers are advised that in the event Sponsor requires Purchaser's lender to accept an assignment of a portion of Sponsor's mortgage as aforesaid, any failure of Purchaser's lender to agree to said assignment shall not excuse Purchaser from its obligations under the Agreement, including, but not limited to, its obligation to close title to the Unit on the date set for closing in accordance with the terms of the Agreement. **Prior to obtaining financing, Purchasers should confirm whether their prospective lender will be able to meet the requirements in this paragraph. As coordination of an assignment may be a long lead item, Purchasers should plan in advance to satisfy this requirement with their lender and any delays in closing relating to Purchaser or its lender being ready to close may require Purchaser to pay adjournment fees.** (See the Section entitled "Unit Closing Costs and Adjustments" below for further discussion.)

61. Security Systems.

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

62. Custom Work.

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

perform Custom Work in the Unit. If the Plan is abandoned, any Custom Work Costs will be returned to Purchaser. Please refer to the Section entitled "Procedure to Purchase" in Part I of the Plan.

63. No Invasive Testing.

Prior to the closing of a Unit, Purchasers shall not be entitled to conduct any invasive testing in the Unit including, without limitation, making holes in the walls or ceiling and/or removing sheet rock, tiles, wood flooring, windows or window panes to test for mold, asbestos, lead paint, mildew, spores, fungi or other toxins or for any other purpose. Please refer to the Sections entitled "Terms of Sale" and "Rights and Obligations of Sponsor" in Part I of the Plan.

64. Sprinklers.

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

65. Purchase of Multiple Units.

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

66. No Third Party Beneficiary.

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

67. Time Is of the Essence.

After the Plan is declared effective, Purchasers will receive at least thirty (30) days' prior notice of the scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth in "Procedure to Purchase" in Part I of the Plan. Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all

of his or her other obligations under the Agreement, and to cure a default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Agreement, and who does not cure such default within such 30-day period may not be permitted any additional time to cure such default. TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. See the Section entitled "Procedure to Purchase" for more information.

68. Dispute Resolution.

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

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

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

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

Except as prohibited by law, the parties to the Purchase Agreement waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, the Offering Plan, or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to

consolidate such claim with, any action or proceeding in which a jury trial is waived. No party to the Purchase Agreement shall seek or receive consequential or punitive damages against the other.

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

69. Statute of Limitations.

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

70. Delivery of Closing Documents.

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

71. Marketing Material.

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

72. Construction Disputes.

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

73. Safety Devices.

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

74. Title Indemnity.

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

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

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. This provision is applicable even if Purchaser elects to use First American Title Insurance Company. See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement in Part II of the Plan.

75. Purchase Agreement

The Purchase Agreement provides that: (a) Sponsor's time to perform any obligation required by such Agreement may be tolled in the event that Sponsor's performance is prevented delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) that are not within the reasonable control of Sponsor, and (b) Sponsor may cancel the Purchase Agreement and refund Purchaser's Deposit in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Residential Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control. Purchasers are advised that Purchaser's ability to close on his/her Unit in the time frame originally contemplated in the Purchase Agreement may be impacted and Purchaser's remedies for such delay may be impacted. The Attorney General strongly recommends that Purchasers consult with their attorneys regarding any risks associated with executing a Purchase Agreement containing these provisions as Purchasers may have reciprocal tolling rights as well.

PART I

A. INTRODUCTION

1165 Madison Ave Owner LLC, a limited liability company organized and existing under the Law of the State of Delaware and duly authorized to do business in the State of New York ("Sponsor"), hereby presents this Offering Plan (the "Plan") for the establishment of condominium ownership of the land, Building and appurtenances thereto, situated on the east side of Madison Avenue between East 85th Street and East 86th Street and known by the street address of 1165 Madison Avenue , New York, New York 10028. The condominium will be known as the "1165 Madison Avenue Condominium" and is herein called the "Condominium."

The purpose of the Plan is to set forth in detail all material terms of the offering by Sponsor of the Units and Storage Bin Licenses located in the Condominium and offered hereby. Sponsor may amend the Plan from time to time by filing an amendment with the New York State Department of Law ("Department of Law"), a copy of which amendment will be served on all purchasers of Units pursuant to executed Agreements who are not in default, and to all Unit Owners and/or Storage Bin Licensees and any other Offerees as may be required by applicable law or regulation.

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I of the Plan sets forth a general description of the offering and the rights and obligations of Sponsor and the Unit Owners. Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property and certifications by Sponsor, Sponsor's architect and Sponsor's budget expert. In addition to the Plan, Sponsor has filed separately with the Department of Law certain exhibits to the Plan which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information).

The Plan, including all Schedules set forth herein, and Parts A, B, C and D of the exhibits, together constitute the entire offer of Sponsor to sell the Units and Storage Bin Licenses at the Condominium which are the subject of this Plan. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying at a reasonable charge, at the Condominium's Sales Office by appointment and at the New York State Department of Law, 28 Liberty Street, New York, New York 10005.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as and hereinafter referred to as the "Condominium Act." The Condominium is subject to and will comply with all statutes and regulations applicable to condominiums in the State of New York.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL OF THE STATE

OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.

1. The Property

The Land consists of approximately 6,406 square feet comprised of Lots 52 and 53 of Block 1497 on the Tax Map of the City of New York, known by the street address of 1161-1171 Madison Avenue , New York, New York, acquired by Sponsor by separate deeds for each tax lot, each dated December 13, 2019. All Lots will be merged prior to the First Closing. See the Section of the Plan entitled "Reservation of Air and Development Rights" for information about the reservation and use of any floor area development rights appurtenant to the Property and not used in connection with the original construction of the Building as described herein. The existing improvements on the Land comprised a series of 5-story residential rental and retail buildings, all of which have been demolished in connection with the construction of the Building.

As more specifically described herein, upon completion of Sponsor's construction work at the Building, the following will constitute the Condominium:

(a) 12 Residential apartments (the "Residential Units") located on the 3-5, 7-9, 11-12, 14-15, and 17-18th Floors (there are no Floors 2, 6, 10, 13 or 16) with the residential entrance and Lobby on the 1st Floor and certain other Common Elements on the Amenity (Subcellar) Floor, Cellar Floor and Roof;

(b) Two Commercial Units located on the 1st Floor;

(c) 12 Storage Bins which will be Residential Common Elements subject to license, located on the Cellar Floor;

(d) Common facilities and amenities for the benefit of the Residential Unit Owners will include the Amenity Spaces, presently anticipated to include a gym, squash court, theater, and children's playroom, all located on the Amenity (Subcellar) Floor, the Residential Common Terrace located on the Roof, and the Bicycle Storage Room, located on the Cellar Floor; and

(e) Various utility and service areas located throughout the Building.

All "floor" references herein are in accordance with the marketing floor designations, unless otherwise expressly stated. See the "Description of Property and Specifications" set forth as Exhibit 4 in Part II of the Plan for further details.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about July 1, 2023. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) subject to delays caused by Force Majeure Events, the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then in either case Sponsor will offer affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Purchasers should note that even if the First Closing occurs on or before July 1, 2023 (or such other date projected as the date of commencement of operation at the time that Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such Residential Units or for the floor on which such Residential Units are located; however, Sponsor will use diligent efforts to complete construction and perform Sponsor's obligations under the Plan. In such case, Purchaser will not be entitled to a right of rescission or to make claims against Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Residential Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A RESIDENTIAL UNIT.

As set forth in more detail in the Section entitled "Changes in Prices, Residential Units and Storage Bins" in Part I of the Plan, Sponsor reserves the right to change the number of Units and/or Storage Bins from time to time by subdividing and/or combining Units and/or Storage

Bins, even after the Condominium is created, except with respect to a Unit and/or Storage Bins as to which a binding Agreement has been entered into and remains in effect unless the Purchaser thereof consents in writing to such change. See Special Risk 32 for additional information.

Sponsor also reserves the right, but is under no obligation, to change the number of Units and/or Storage Bins by, among other things, subdividing and reconfiguring the Units and, in connection with such subdivision and reconfiguration, amending the Declaration to change a portion of a subdivided Unit of one type (e.g., Commercial Unit) into a Unit or space of another type (e.g. Residential Unit space or Storage Bin space), subject to compliance with the Certificate of Occupancy. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. A detailed description of the Property is contained in the Section of the Plan entitled "Description of Property and Improvements" in Part II of the Plan.

2. Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Residential Unit Owner is the fee owner of his or her Residential Unit. Each such Residential Unit Owner also owns, in common with the owners of all other Residential Unit Owners, an undivided interest in the Common Elements, which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Residential Units themselves, including, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of two or more Residential Units or two or more Residential Unit Owners. In addition, certain Common Elements may be designated in the Condominium Documents as a Limited Common Element for exclusive use and access by a designated Unit Owner. An example of a Limited Common Element in the Condominium is a Terrace, which is appurtenant to given Residential Unit and intended for exclusive use by the owner of such Residential Unit.

Use and occupancy of all Residential Units is governed by the Declaration and the By-Laws of the Condominium, the provisions of this Plan and applicable Legal Requirements.

As more particularly set forth in the By-Laws, a Residential Unit may generally be

used only as a residence and, subject to compliance with the By-Laws and Legal Requirements, for a lawful home occupation.

Subject to the certificate of occupancy for the Building and Legal Requirements, Storage Bins may only be used for storage purposes by a Residential Unit Owner or a tenant of a Residential Unit. In no event may any of the Storage Bins be used as a dwelling space or for storing property which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Those Rules and Regulations of the Condominium which are applicable to a Residential Unit and/or the Residential Unit Owner shall also be applicable to a Storage Bin and/or its licensee (each a "Storage Bin Licensee" and collectively the "Storage Bin Licensees").

As provided for in Section 6.10.5 of the By-Laws, Sponsor shall have the exclusive right to initially issue Storage Licenses for Storage Bins and to retain the proceeds thereof. Upon the initial sale, the Board constitutes the licensor of the Storage Bin.

To protect the security of the Building, any Storage Bin Licensee must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee (and Sponsor may permit the use of any unlicensed Storage Bin by any party); or (ii) to the Board, as licensee, or its designees. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bin for any lawful purpose, to change the permitted use of any unlicensed Storage Bin or to license any unlicensed Storage Bin to any individual or entity. If at any time a Storage Bin Licensee sells its Residential Unit and no longer owns any Residential Units in the Building, it shall simultaneously assign its Storage Bin License to another owner of a Residential Unit, and if it fails to do so, the Storage Bin License shall automatically terminate without any action or notice required by the Board at such time as a Storage Bin Licensee no longer owns a Residential Unit. If a Storage Bin License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to the Storage Bin License Agreement, or if a Residential Unit Owner surrenders its Storage Bin License without assigning such License to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for such Storage Bin, upon terms and conditions determined in its sole discretion and without compensation to such Storage Bin Licensee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. Notwithstanding the foregoing, a Storage Bin Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the license for such Storage Bin, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

If a licensee of a Storage Bin defaults in its obligations under the Storage Bin License or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin

until such licensee cures such default, or (ii) terminate the Storage Bin License upon thirty (30) days written notice to such licensee.

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by such Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Residential Units. It is also not applicable to any sale of any Commercial Unit. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of the Residential Unit Owners and the Board" in Part I of the Plan.

There is no limit on the number of Residential Unit Owners who may purchase a Residential Unit for investment, rather than personal occupancy, purposes. As such there may always be a substantial percentage of Residential Unit Owners who are non-residents of the Condominium.

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

Operation of the Condominium will be vested in the Board, which will be elected by the Unit Owners and/or designated by Sponsor as described in the Plan and the By-Laws. As more particularly set forth in the By-Laws, the Board will determine the amounts of Common Expenses, the allocation of Common Expenses among the Residential Units and Commercial Units, and will assess Unit Owners for Common Charges accordingly.

Residential Unit Owners may decorate the interior of their Units in any way that they desire, subject to compliance with the By-Laws, the Rules and Regulations and applicable Legal Requirements and will be responsible for maintaining, repairing and painting their Units and for complying with Legal Requirements applicable to their Units, all at their own expense.

In order to promote a consistent appearance of the Building from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a white or light, neutral-colored backing on the sides facing the windows in its Unit, which window

treatments and backings must conform to any specifications (including a new color) established from time to time by the Board.

Alterations to Residential Units by Residential Unit Owners are subject to certain restrictions and consents as more fully set forth in the By-Laws. There are no limitations or restrictions upon the rights of the Commercial Unit Owners to decorate or alter their respective Unit except those imposed by applicable Legal Requirements or as expressly provided in the Declaration and/or By-Laws. Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner satisfies all unpaid liens (other than any other permitted mortgages) against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

After the City of New York assesses as a separate tax lot each Unit and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units.

In the opinion of Holland & Knight LLP, Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that, for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate; and

(b) "qualified residence interest" paid by such Residential Unit owner with respect to such Residential Unit.

Qualified residence interest includes interest paid by the Residential Unit Owner on debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence.

A "qualified residence" generally means: (i) the "principal residence" of the Residential Unit Owner and (ii) one other residence selected by the Residential Unit Owner, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such residence is rented at a fair value. For taxable years beginning after 2017 and before 2026, a Residential Unit Owner who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled under current Federal income tax law to deduct from his or her gross income, interest paid by him or her on acquisition indebtedness incurred with

respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any) does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return). Notwithstanding the foregoing, with respect to indebtedness which was incurred before December 15, 2017, a taxpayer is permitted to deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness. For taxable years beginning after 2025, a taxpayer may deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness regardless of when such acquisition indebtedness was incurred.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances). The rules and limitations regarding the deductibility of home mortgage interest are complex and thus Purchasers are urged to consult their tax advisers regarding the application of such rules to them as well as regarding the deductibility of mortgage interest with respect to Residential Units for alternative minimum tax purposes (which, at present, is subject to rules different from those described above for regular tax purposes). Residential Unit Owners should consult their tax advisers regarding the effect of the alternative minimum tax.

Each Residential Unit Owner who uses such Residential Unit as a qualified residence will generally be entitled to the same deduction for mortgage interest and real property taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

The U.S. House of Representatives has passed a bill that would eliminate the $10,000 limitation for the deduction of state and local real property taxes and all other state and local taxes, but this bill has not been passed by the Senate and is not currently in effect.

Sponsor's Counsel expresses no opinion regarding any deductions with respect to the Commercial Units or Storage Bin Licenses. (See the Section of this Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium," as well as to Sponsor's Counsel's Income Tax Opinion reproduced herein for a more complete discussion.)

The Board will be responsible for maintaining casualty and liability insurance, with respect to the entire Building (including each Unit but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within a Unit and other personal property not constituting part of the Unit), together with all service machinery contained therein as well as liability insurance covering the Building (excluding occurrences in or about each Unit or the Limited Common Elements, if any, exclusive or appurtenant thereto), in accordance with the provisions of the By-Laws. See the Section entitled "Rights and Obligations of the Unit Owners and the Board" in Part I for a more complete discussion. The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if such Unit Owner is an

individual, or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost.

Residential Unit Owners are advised that the prevention of the growth of mold in a Residential Unit is the responsibility of each Residential Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Residential Unit Owner experiences mold growth depends largely on how such Residential Unit Owner manages and maintains his/her Residential Unit. Residential Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Residential Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Residential Unit Owner's Residential Unit. At closing, the Residential Unit will be free of toxic mold. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. Notwithstanding the foregoing, Sponsor will remediate any mold or mildew occurring within ninety (90) days after Closing, if due to a construction defect at the Building.

3. Offering of Units for Sale

Sponsor hereby offers the 12 Residential Units for sale under the Plan. The two Commercial Units are not being offered for sale hereunder as of the date of filing of this Plan; however, Sponsor reserves the right to amend the Plan to offer any or all of the Commercial Units. No representation or warranty is made as to who subsequent owner(s) or tenant(s) of a Commercial Unit may be at any time or the uses to which such Unit(s) may be put at any time in the future; and no income derived from any use of a Commercial Unit will constitute income to the Board or Unit Owners. Sponsor reserves the right to seek a "no-action" letter from the New York State Department of Law to the effect that an offering plan and/or plan amendment is not applicable to, among other things, the initial submission of the Land and Building to condominium ownership and to the sale of the Commercial Unit. In such event, Sponsor may, prior to the First Closing, file a declaration in the City Register's Office constituting the Condominium as comprised of three condominium units (two commercial and one residential) and the Commercial Units may be sold to a third-party, but shall, prior to the First Closing, amend or amend and restate the Declaration (and By-Laws and Floor Plans) in accordance with the terms set forth in the Plan. Unless otherwise permitted via "no-action" letter by the Department of Law, Sponsor shall not utilize a "no-action" letter to further subdivide the Units in the Condominium. Sponsor will amend the Plan to disclose the issuance of a "no-action" letter, if any.

There are no limitations on who may purchase such offered Units. However, Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board, any Unit Owner or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, gender, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements.

The initial prices for the Units offered under the Plan are listed on Schedule A – "Purchase Prices and Related Information" for July 1, 2023 to June 30, 2024, the Projected First Year of Condominium Operation. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

All of the equipment and fixtures which are included in the purchase of a Residential Unit are more fully set forth in the Description of Property and Specifications included as Exhibit 4 in Part II hereof.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder to Purchasers and others after consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of such Units (i.e., two Residential Units) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

In the event Sponsor makes a bulk sale of the Units, the transferee is entitled to and bound by those additional rights and obligations (including the aforementioned representation regarding good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

Sponsor has obtained a construction loan encumbering the Property from Bank Hapoalim B.M. (the "Construction Loan"), having an address at 1120 Avenue of the Americas, New York, NY 10036. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Purchasers are advised that should the Construction Lender assume Sponsor's obligations hereunder pursuant to the Construction Loan, such event shall not be deemed material and adverse and will not give rise to a right of rescission.

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit (although the By-Laws provide for a limited period of time following the recording of the Declaration when the Units may not be separately

assessed), and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain. (See Schedule A and the Section of the Plan entitled "Available Services and Facilities" in Part I of this Plan).

Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums and any reserve fund payments required by lenders under the Construction Loan. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall give all Unit Owners and Purchasers at least thirty (30) days prior notice of the expiration of the Waiver Period, and will identify the date on which the Waiver Period expired in the next substantive amendment to the Plan to be filed; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, as well as any other expenses customarily attributed to Unit Owners. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period.

Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of common charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same

Schedule A sets forth an estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal year from July 1, 2023 to June 30, 2024. (See Note 6 to Schedule A hereof with respect to the basis of such estimate.)

4. Offering of Storage Bin Licenses

Sponsor hereby offers Purchasers the opportunity to purchase the rights a Storage Bins pursuant to a license agreement (each such license being a "Storage Bin License," and each such license agreement being a "Storage Bin License Agreement.") The form of the Storage Bin License Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 9. The Storage Bins will range in size from approximately 16 to 35 square feet. Sponsor will initially offer 12 Storage Bin Licenses for sale hereunder.

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

The deposit for the purchase of a Storage Bin License is 15% of the purchase price of the Storage Bin License, which 15% is due in full at the time of execution of the applicable rider to the Agreement. The term "Deposit" as used herein refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit, as well as in connection with the purchase of a Storage Bin License. At the closing of a Unit, the balance of the purchase price for the Unit, as well as the balance of the purchase price for any Storage Bin License being purchased pursuant to the applicable rider to the Agreement, will be due and payable.

As provided for in Section 6.10.5 of the By-Laws, Sponsor shall have the exclusive right to initially issue Storage Licenses for Storage Bins and to retain the proceeds thereof. Thereafter proceeds from the assignment of a Storage License shall be retained by the assignee of such Storage License. Upon the initial sale, the Board constitutes the licensor of the Storage Bin and shall be entitled to collect license fees as further set forth below.

Sponsor reserves the right to offer as many, or as few, Storage Bin Licenses, as it determines in its sole discretion and in accordance with applicable Legal Requirements. Sponsor shall offer the Storage Bin Licenses to Purchasers of Residential Unit Owners on a first-come, first-served basis until such time as all of the offered Storage Bin Licenses have been purchased. Sponsor reserves the right to limit Purchasers to one (1) Storage Bin License per Residential Unit purchased or to sell as many Storage Locker Licenses to a particular Purchaser as it shall elect, in Sponsor's sole discretion. Prospective Purchasers shall be required to deliver a deposit in the amount of 15% of the purchase price of the Storage Bin License upon execution of an Agreement that includes the purchase of a Storage Bin License.

Holders of Storage Bin Licenses will be responsible for all costs and expenses associated with the operation of the Storage areas and will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown on Schedule A-1) of such Storage Bin, which amount shall be subject to increase based on the percentage increase in subsequent Schedule B budgets approved by the Board, or otherwise as the Board deems necessary in its discretion. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to Common Charges. Sponsor shall not be obligated to pay Storage Bin License Fees for the Unsold Storage Bins or any maintenance costs other than Sponsor's obligation to pay Common Charges for any Unsold Residential Units. Sponsor makes no representation whatsoever regarding the future license fees to Storage Bin Licensees or to the availability of such Storage Bin Licenses.

If at any time a Storage Bin Licensee sells or leases its Residential Unit and no longer owns any Residential Units in the Building, it shall simultaneously assign its Storage Bin License to another owner of a Residential Unit, and if it fails to do so, the Storage Bin License shall automatically terminate without any action or notice required by the Board at such time as a Storage Bin Licensee no longer owns a Residential Unit. If a Storage Bin License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to the Storage

Bin License Agreement, or if a Residential Unit Owner surrenders its Storage Bin License without assigning such Storage Bin License to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for such Storage Bin, upon terms and conditions determined in its sole discretion and without compensation to such Storage Bin Licensee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License.

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

Storage Bin Licenses will be offered to Residential Unit Owners only. Notwithstanding the foregoing, a Storage Bin Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the license for such Storage Bin, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

Upon the issuance of a Storage Bin License to a Unit Owner or the transfer of a Storage Bin License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage Bin License Agreement.

During the First Year of Operation or within the 12 months afterwards it is anticipated that the Storage Bins will be completed and, as a result, Storage Bins may not be completed or available for use at and for a period of time following the closing of title to any particular Unit. However, a Purchaser who has executed a rider to his or her Agreement to purchase a Storage Bin License will be required to consummate the purchase of its Unit and the Storage Bin License, without credit or offset, notwithstanding that the Storage Bin for which any such license pertains is not substantially complete, or not yet covered by a temporary certificate of occupancy, or not available for Purchaser's use at such time; provided, however, that in such event the amount of the purchase price of the Storage Bin License will remain in the Escrow Account and not be released to Sponsor until completion of the Storage Bin, as evidenced by the issuance of a certificate of occupancy covering the Storage Bin. Further, until a temporary or permanent certificate of occupancy covering a given Storage Bin has been issued and the use of the Storage Bin is made available to its Purchaser, applicable monthly license fees for the Storage Bin License will not be collected from Purchaser.

5. Commercial Unit Not Offered For Sale Hereunder

The Commercial Units are not presently being offered for sale hereunder. Sponsor will not be permitted to sell the Commercial Units to the general public without either amending the Plan, filing a separate offering plan for such Unit, or having received a no-action letter from the Department of Law in respect of such Units.

6. Certain Definitions

For convenience, general definitions of certain terms used in Part I of the Plan are set forth below, which definitions are subject, in many cases, to the more particular definitions of such terms set forth in the Declaration and By-Laws included in Part II of the Plan.

Agreement: The option agreement to purchase a Unit pursuant to the Plan, the form of which is set forth as Exhibit 1 in Part II of the Plan.

Amenity Spaces: Indoor Amenities for the shared use of Residential Unit Owners, which constitute Residential Common Elements. The Amenity Spaces in the Building are presently anticipated to include a gym, squash court, theater, and children's playroom, all located on the Subcellar Floor.

Board: The board of managers of the Condominium, also sometimes referred to as the "Condominium Board" and/or the "Board of Managers."

Building: The building and other improvements located on the Land and commonly known as 1165 Madison Avenue Condominium, New York, New York.

By-Laws: The by-laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, including the Rules and Regulations.

City Register's Office: The New York County office of the Register of The City of New York.

Commercial Unit: Any one of the two commercial units located on portions of the Cellar Floor and 1st Floor of the Building, and collectively referred to as the "Commercial Units".

Common Charges: Assessments payable to the Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Unit Owners will pay Common Charges based on their proportionate share (among all Unit Owners) of Common Expenses. Common Charges also includes specific amounts assessed against individual Unit Owners in connection with maintenance expense of terrace areas appurtenant to Units owned by such Unit Owners.

Common Elements: The entire property, including the Land and all parts of the Building and other improvements thereon, other than the Units. The Common Elements include, among other things, the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of all or some of the Units or all or some of the Unit Owners. The Common Elements include the General Common Elements, Residential Common Elements and the Residential Limited Common Elements.

Common Expenses: The costs and expenses in connection with the repair,

maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners.

Common Interest: The proportionate undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, expressed as a numerical percentage and determined in accordance with the Declaration. The total Common Interest appertaining to all Units equals 100%. As described more fully in the By-Laws, generally, the Common Interest is the basis of determining, among other things, a Unit Owner's voting power and general liability for a share of the Common Expenses.

Common Terrace: A terrace for the benefit of the Residential Unit Owners, located on the Roof as shown on the Floor Plans.

Condominium: The 1165 Madison Avenue Condominium.

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

Declaration: The instrument creating the Condominium, the form of which is set forth as Exhibit 6 in Part II of the Plan.

Department of Buildings or DOB: The Department of Buildings of The City of New York.

"Equal or Better" or "equal to or better than" or like terms: Items (including, without limitation, materials, appliances, equipment, fixtures and other construction details) that are of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable.

"facility" or "facilities": As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

First Annual Meeting: The first annual meeting of the Unit Owners, which shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title to Residential Units representing at least fifty percent (50%) both in number and aggregate Common Interests of all Residential Units to Purchasers.

First Closing: The first date upon which title to any Unit is conveyed to a Purchaser under the Plan.

First Year of Condominium Operation. The 12 month period commencing on the date of the First Closing, currently anticipated to be the period from July 1, 2023 through June 30, 2024.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Tax Map Unit, Land Records Division of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

Force Majeure: Means 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, government restrictions or closures, 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, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

General Common Elements: All of the Common Elements which are not Limited Common Elements as more particularly described in the Declaration and as shown on the Floor Plans for the Building.

JAMS: Refers to the private alternative dispute resolution (ADR) provider. Information about JAMS can be found at https://www.jamsadr.com/.

Land: The land situated on the east side of Madison Avenue between East 85th Street and East 86th Street and known by the street address of 1161-1171 Madison Avenue , New York, New York 10028, as further and more particularly described in the Declaration.

Legal Requirements: All laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the Landmarks Preservation Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the By-Laws.

Managing Agent: It is anticipated that the managing agent of the Condominium will initially be Century Management Services, Inc., having a principal office address at 440 Ninth

Avenue, Suite 1500 New York, New York 10001, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I of this Plan. Managing Agent is an affiliate of Sponsor.

Offeree: A Purchaser who has executed and delivered an Agreement to Sponsor or Selling Agent and whose Agreement is in effect, and a Unit Owner.

Offering Plan or Plan: This offering plan, as the same may be amended from time to time.

Permitted Encumbrances: Those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement.

Permitted Mortgage: A mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of the By-Laws.

Permitted Mortgagee. The holder of a Permitted Mortgage as more fully described in the By-Laws.

Plans and Specifications: The plans and specifications for Sponsor's construction work at the Building which (to the extent required by applicable Legal Requirements) have been or will be filed with the Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

Property: The Land, the Building and the easements, rights and appurtenances thereto, including, without limitation, all Common Elements.

Purchaser: A purchaser of one or more of the Units offered hereunder pursuant to an Agreement.

Residential Common Elements: Those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners as more particularly described in the Declaration. Notwithstanding that the Storage Bins constitute Residential Common Elements, Sponsor has the right to offer for sale licenses for such spaces for the exclusive use of a given Residential Unit Owner.

Residential Limited Common Elements: Those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner as more particularly described in the Declaration. The Residential Limited Common Elements include, without limitation, any Terrace either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

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

Rules and Regulations: The rules and regulations of the Condominium made in

accordance with the By-Laws and attached thereto as Exhibit A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws.

Sales Office: The sales office for the Condominium, at a location to be designated by the Selling Agent from time to time.

Selling Agent: It is anticipated that the selling agent for the Plan will initially be Compass Development Marketing Group, 90 Fifth Avenue, New York, New York 10011.

Sponsor; Sponsor or its designee; or similar phrases: 1165 Madison Ave Owner LLC, and its successors and assigns.

Sponsor Control Period: The period ending upon the earlier to occur of: (a) the fifth anniversary of the First Closing; or (ii) the closing of title to all of the Residential Units.

Sponsor's Office: The office of Sponsor located at c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York 10019, or any other office regularly maintained by Sponsor in the City of New York.

Storage Bin: One of 12 Storage Bins located on the Cellar Floor, which will be made available for the exclusive use certain of the Unit Owners pursuant to Storage Bin License Agreements and which constitute Residential Common Elements.

Terrace: Any of the terraces appurtenant to a Unit as shown on Floor Plans, which Terraces are Residential Limited Common Elements.

Title Company: Royal Abstract, with an address at 125 Park Avenue, Suite 1610, New York, New York 10017, (212) 376-0900, or such other title insurance company licensed to do business in New York and designated by Sponsor in an amendment to this Plan.

Unit: Any space designated as a Unit in the Declaration. All or any of such Units are collectively referred to as the "Units."

Unit Owner or Owner: The owner of a Unit at the time in question.

Unsold Residential Units: Any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of its designees as the holder of one or more Unsold Residential Units; any Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

Zoning Resolution: Zoning Resolution of The City of New York, effective as of December 15, 1961, as the same has been and hereafter may be amended from time to time.

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

the case may be. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

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B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Land, Building, Units and Common Elements, as well as certain facilities and services anticipated to be provided at the Condominium. For a more detailed physical description of the Property, see "Description of Property and Specifications" in Part II of the Plan.

1. The Building

The Building is located on the Land, situated on the east side of Madison Avenue between East 85th Street and East 86th Street and known by the street address of 1161-1171 Madison Avenue , New York, New York 10028 comprising Lots 52 and 53 of Block 1497 on the Tax Map of the City of New York, on the Tax Map of the Borough of Manhattan.

The Building will be comprised of a 13 story structure above grade, with Roof, EMR Level and Bulkhead Roof, and two levels below grade. The Condominium will be new construction. Prior to construction of the Condominium, the Land previously contained one (1) vacant mixed-use commercial and residential building and one (1) two story commercial building.

The Building will contain 12 Residential Units, two Commercial Units, and 12 Storage Bins.

Architecture by Robert A.M. Stern Architects and SLCE Architects, having addresses at One Park Avenue, New York, New York 10016 and 1359 Broadway, New York, New York 10018, respectively are the architects engaged by Sponsor for the Description of Property and Floor Plans, included in Part II of the Plan. Ventrop Engineering Consulting Group and WSP USA, having addresses at 369 West 34th Street – 2nd Floor, New York, NY 10013 and One Penn Plaza, New York, New York, 10119 respectively are the structural engineers for the Project. Ventrop Engineering is the mechanical and electrical engineer for the Project. (See the Section entitled "Identity of Parties" in Part I of the Plan) The Plans and Specifications for the Building were certified by Architecture by SLCE, in consultation with such other professionals.

Sponsor's construction at the Building, including the individual Units, will be completed substantially in accordance with the Plans and Specifications, and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal Requirements. The Building is not a Quality Housing project as defined under the Zoning Resolution.

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, fixtures, furnishings, and other construction and design materials and details set forth therein or in Exhibit 4 in Part II of the Plan, items that are "Equal or Better" (meaning of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable), provided, however, that any material change shall be set forth in an amendment to the Plan, Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and

adverse change in the quality of General Common Elements, Residential Common Elements, or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

For avoidance of doubt, notwithstanding anything to the contrary herein, if a Purchaser with a fully executed Storage Bin Rider is entitled to a right of rescission pursuant to the terms of this Plan due to any material and adverse change with respect to the Storage Bin License or the Storage Bin which is the subject thereof, any such right of rescission shall be limited solely to the agreement to purchase the Storage Bin License which has been affected thereby, and if such Purchaser elects rescission with respect to the agreement to purchase such Storage Bin License, the remainder of the Agreement shall continue in full force and effect. In the event a Purchaser elects to rescind an agreement to purchase a Storage Bin License, but the remainder of the Agreement remains in full force and effect, such Purchaser shall be refunded that portion of the Deposit, if any, and to the extent set forth in the Storage Bin Rider, attributable to the Storage Bin License(s) for which the agreement is being rescinded, and the Purchase Price shall be reduced by the amount of the Purchase Price for the Storage Bin License(s), if any, and to the extent set forth in the Storage Bin Rider, for such Storage Bin License for which the agreement was rescinded.

The location in the Building, and the size, layout and approximate square footages of the Residential Units are shown on the floor plans appearing in Exhibit 5 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Residential Units, to add additional Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Residential Units, as further described in the Sections entitled "Changes in Prices: Residential Units and Storage Bin Licenses" and "Rights and Obligations of Sponsor" in Part I of the Plan, provided, however, that any material change shall be set forth in an amendment to the Plan. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the

Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Unit of five percent (5%) or less, or Unit size that is diminished by five percent (5%) or less, is not material.

The Building incorporates mechanical equipment, including the Building's back-up generator, elevator and related equipment, and HVAC equipment, designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment (which may include periodic testing), some occupants of Units adjacent to or in the vicinity of the equipment floors and equipment areas of the Building may perceive noise and/or vibration from the equipment. The sole obligation of Sponsor and the Board with respect to such noise and/or vibration shall be to install and operate such equipment in a manner consistent with commercially reasonable practices in typical luxury residential buildings and in compliance with applicable Legal Requirements, including the New York City Building Code.

A bus stop for the M1, M2, M3 and M4 is located across 86th Street from the entrance to the Building.

Purchasers are prohibited from impeding access to any mechanical equipment which may be located in the ceilings, walls or closets of Residential Units, including without limitation the HVAC equipment located in the ceiling above certain closets, condenser unit equipment on the floor of certain closets and other areas in Residential Units. The Condominium Board and its employees, agents and contractees may require intermittent access for maintenance, repair and replacement of such mechanical equipment, and Purchasers are prohibited from blocking such access or building any installation or fixture which inhibits such access or is otherwise in violation of applicable law.

Prospective Purchasers are advised that the following windows on the east façade are 'Lot Line Windows': 3S Den, 4S and 5S Kitchen, 7-PHB Master Bathroom, PHC Lower Level Sitting Room and PHC Upper Level Eat-In Kitchen. These windows are provided with sprinklers, but may be required to be reduced in size or sealed if the adjoining property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having lot line windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes. Under the applicable building code of the City of New York, lot line windows must

meet certain requirements including being built of a shatter-resistant type of glass and being provided with a protective sprinkler head. In the event any of such lot line windows must be reduced in size or sealed, the owner of the affected Residential Unit shall solely bear the costs relating to such reduction or closure. As of the filing date of this Plan, Sponsor estimates the cost of same to be approximately $5,000 per window.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Units to begin on or about July 1, 2023. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date; however, Sponsor will use diligent efforts to complete construction and perform Sponsor's obligations under the Plan. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) subject to delays caused by a Force Majeure Event(s), the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then in either case Sponsor will offer affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

As set forth in the Description of Property and Specifications set forth as Exhibit 4 in Part II of the Plan, New York City Façade Inspection and Safety Program (FISP) formerly known as Local Law LL11-98 applies to the Building

Under FISP, periodic inspections are required in order to maintain a building's exterior walls and appurtenances thereto in a safe condition. A filing is required for all buildings with exterior walls or parts thereof that are greater than six stories in height, including the basement, but not the cellar, as defined in the Building Code, and regardless of the information in the certificate of occupancy.

Buildings required to file a report shall do so once every five-year report filing cycle established by the department. A report shall be filed within sixty days of the date on which the visual critical examination is completed (final inspection date) and not more than one year after completion date of the required physical close-up inspection.

Typical components of the inspection report include a description of the building and any previous repairs or revisions to the exterior of the building, a description of the procedures used in making the critical examination, a summary of findings and recommendations, a statement of the scope of the inspection and findings, and the conclusions and a determination as to whether the building is categorized as "safe", "SWARMP", or "unsafe". The inspector looks for deterioration (cracks, spalls, joint deterioration), any movement detected, and apparent water-tightness of the exterior surfaces. Appurtenances are observed as well which include exterior fixtures, flagpoles, signs, parapets, railings, copings, guard rails, window frames, balcony enclosures, window air conditioners, window guards, flower boxes, and any equipment attached to or protruding from the façade. Balcony railings are to be inspected to ensure that their components are positively secured against upward movement. If any balcony enclosure is found not to be secured, the condition is classified as "unsafe".

A building is classified as "safe" when the condition of the building wall, any appurtenances thereto or any part thereof does not require repair or maintenance to sustain the structural integrity of the exterior of the building and that will not become unsafe during the next five years.

A building is classified as "SWARMP" (Safe with a repair and maintenance program) when the condition of the building wall, any appurtenances thereto or any part thereof is safe at the time of inspection, but requires repair or maintenance during the next five years in order to prevent its deterioration into an unsafe condition during that five-year period. The owner of the building is responsible for ensuring that the conditions described in the critical examination report as "SWARMP" are repaired and all actions recommended by the qualified inspector are completed within the time frame recommended by the qualified inspector, and are not left to deteriorate into unsafe conditions before the next critical examination. A report may not be filed describing the same condition and pertaining to the same location on the building as "SWARMP" for two consecutive report filing cycles.

An "unsafe" condition is described as a condition of a building wall, any appurtenances thereto, or any part thereof that is hazardous to persons or property and requires prompt repair. In addition, any condition that was reported as "SWARMP" in a previous report and that is not corrected at the time of the current inspection shall be reported as an "unsafe" condition. All "unsafe" conditions shall be corrected within thirty days from the submission of the critical examination report. The owner of the building shall immediately commence such repairs or reinforcements and any other appropriate measures such as erecting sidewalk sheds, fences, and safety netting as may be required to secure the safety of the public. Within two weeks after repairs to correct the unsafe condition have been completed, a final inspection of the premises is needed to obtain permit sign-offs and an amended report shall be filed with the department stating the revised report status of the building.

The LL11-98 (FISP) requirements for new building state that a report shall be filed

five years from the date the first temporary certificate of occupancy is issued if that five-year date falls within the applicable filing window according to the last digit of the building's block number. If the five years from the date the first temporary certificate of occupancy or permanent certificate of occupancy issued falls outside the applicable filing window, according to the last digit of the building's block number, then the initial report shall be filed within the applicable two-year filing window for the next five-year cycle.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction. Based on the anticipated completion of construction date of December 2023. The initial critical examination of the building shall be conducted in 2028, the fifth year following the erection of the exterior walls and I or enclosures inspection. Based on the current NYCDOB schedule the inspection will be scheduled during Cycle 10.

Compliance with FISP, including, but not limited to, hiring an architect or engineer to perform an inspection and filing a report with DOB, and any costs associated therewith shall entirely be the responsibility of the Condominium Board, and not of Sponsor. Purchasers are advised that costs associated with Local Law 11-98 (FISP) inspections could be substantial and may include installation of construction bridges and other scaffolding as required by DOB for extended periods of time.

2. Residential Units

There will initially be a total of 12 Residential Units. The Residential Units vary in size, including 2 Bedroom apartments with approximately 2,146 square feet to seven-bedroom apartments with approximately 6,848 square feet. Detailed descriptions of the Units are set forth in the Declaration and in Exhibit 6 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Unit.

The approximate floor area of each Unit has been measured horizontally from the exterior side of the exterior walls, centerline of adjacent stair wall and shared refuse room separating a Residential Unit from such stair or refuse room, and centerline of public corridor, elevator, and of partitions separation one Unit from another Unit (columns, mechanical pipes, mechanical equipment, shafts, chases and conduits are not deducted from the measurements of each Unit). In addition, with respect to Penthouse A and Penthouse B, where a non-duplex Residential Unit is the only Unit on a given floor, the square footage of the residential elevator shafts, and residential egress stairs on such floor, which are Residential Common Elements, have been included in the total square footage of that Unit. With respect to Penthouse C and Penthouse D, which are full-floor duplexes and the only Residential Units on each of the Penthouse C and Penthouse D Floors, the square footage of the elevator shafts, and residential egress stairs on the upper level have been included in the square footage of the Unit, while on the lower level the square footage of one elevator shaft has been included in its total square footage. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Residential Unit is measured vertically from the top of the finished flooring (located above the slab and sub-floor materials) to the underside of the finished ceiling, subject to normal construction tolerances and the below.

The foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceilings to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserves the right to make changes due to unforeseen conditions in accordance to the Offering Plan. Each Residential Unit will be measured vertically from the top of the concrete slab to the underside of the slab above. The approximate top of slab (T.O.S.) to underside of slab (U.O.S.) heights and the approximate floor to ceiling heights (measured vertically from T.O.S., excluding finished floor, to finished U.O.S.) and typical dropped ceiling heights (measured from T.O.S. to finished ceiling) for the floors containing residential units are provided in the following chart. The ceiling heights will vary based on mechanical and structural conditions in the ceiling, and may be lower than the heights stated below. In conditions where the underside of slab is the finished ceiling, the ceiling height may vary, and may vary from room to room, due to as-built concrete conditions.

Each Terrace is measured horizontally from the exterior face of the exterior wall to the outside face of the parapet wall.

The storage bins are measured from outside mesh to outside mesh.

All dimensions on the Unit plans/exhibits are approximate and subject to normal construction variances and tolerances. The square foot areas determined using the methodology set forth above may not reasonably represent the actual useable floor area for each Unit or Storage Bin (measured from interior surface to interior surface). As is customary in condominiums, the square footage listed in Schedule A may materially exceed the actual usable floor area within each Unit or Storage Bin.

There will be no modifications or extras for any Residential Unit unless set forth in the Agreement for such Unit. Moreover, Sponsor shall not be obligated to correct and shall have no liability or responsibility to any Purchaser for, and no Purchaser shall be entitled to any reduction in or credit against the Purchase Price of his or her Unit or be otherwise relieved from performing his or her obligations under the Agreement as a result of a non-material inaccuracy or error in the floor plans for such Unit as set forth in Part II of the Plan. With regard to size, there is a rebuttable presumption that a decrease of five percent (5%) or less or any increase in the size of any Residential Unit is deemed non-material.

Certain Residential Units as identified on the Floor Plan in Part II hereof will feature fireplaces. The fireplaces will be gas ignited. Each such fireplace and all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts.

3. Commercial Unit

Each of the two Commercial Units (not offered hereby) will be located on a portion of the Cellar Floor and 1st Floor of the Building with entrances on Madison Avenue. The Commercial Units may be used for any legal purpose, provided such use is consistent with a high-end, luxury residential building in Manhattan, and further provided that certain uses are expressly prohibited, as more fully set forth in Section H of the Plan, including without limitation the following: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, a bar serving liquor, or a restaurant, café or other use where the principal business is the preparation of food and/or drink. In no event shall any use of a Commercial Unit be permitted that results in the issuance of noise, smoke, grease, odors or fumes that creates a nuisance or unreasonably interferes with the peaceful possession or proper use of the Property by Unit Owners or the occupants of their respective Units, as shall be determined in the Board's sole discretion. The Commercial Unit Owners shall not be permitted to display any merchandise or place any signage, tables, benches or other form of outside seating anywhere on the sidewalks adjacent to the Building. The Board will have no right to restrict or limit any of the uses of the Commercial Units which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. It is currently anticipated that the Commercial Units will initially be used for retail purposes (and ancillary uses), although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. As a result, one or more of the Commercial Units may be used for non-retail purposes.

4. Storage Bins

As indicated on the Floor Plans, there will be a total of 12 Storage Bins in the Condominium, located on the Cellar Floor, ranging in size from approximately 16 to 35 square feet. The entrance door and frame to each of the Storage Bins at the Cellar will be metal and metal mesh and have metal and metal mesh dividers. Storage Bins are measured from outside mesh to outside mesh. The Storage Bins are Residential Common Elements and will be licensed to individual Residential Unit Owners by Sponsor in its sole discretion. Sponsor (or its designee), in its own name or in the name of the Condominium Board, shall have the exclusive right to initially issue Storage Bin licenses for Storage Bins and to retain the proceeds thereof. Thereafter proceeds from the assignment of a Storage License shall be retained by the assignee of such Storage License. Upon the initial sale, the Board constitutes the licensor of the Storage Bin and shall be entitled to collect license fees. Storage Bins may not be licensed to any person, party or entity which is not a Residential Unit Owner (provided that such restriction shall not apply to Sponsor or its designees, or to the Board or its designees) and may only be used for storage purposes, provided that no materials which pose a health or safety threat or which otherwise create a nuisance may be stored therein. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose or to change the permitted use of any unlicensed Storage Bins, subject, however, to the provisions of the Declaration. If at any time the licensee of a Storage Bin sells or leases its Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit, and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee. The form of the Agreement to be used for licensing the use of such Storage Bins to individual Unit Owners is included in Part II of this Plan as Exhibit 9.

Subject to the certificate of occupancy for the Building and Legal Requirements, Storage Bins may only be used for storage purposes by a Residential Unit Owner or a tenant of a Residential Unit. In no event may any of the Storage Bins be used as a dwelling space or for storing property which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove. Those Rules and Regulations of the Condominium which are applicable to a Residential Unit and/or the Residential Unit Owner shall also be applicable to a Storage Bin and/or its licensee (each a "Storage Bin Licensee" and collectively the "Storage Bin Licensees"). To protect the security of the Building, any Storage Bin Licensee must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee (and Sponsor may permit the use of any unlicensed Storage Bin by any party); or (ii) to the Board, as licensee, or its designees. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bin for any lawful purpose, to change the permitted use of any unlicensed Storage Bin or to license any unlicensed Storage Bin to any individual or entity. If at any time a Storage Bin Licensee sells its Residential Unit and no longer owns any Residential Units in the Building, it shall simultaneously assign its Storage Bin License to another owner of a Residential Unit, and if it fails to do so, the Storage Bin License shall automatically terminate without any action or notice required by the Board at such time as a Storage Bin Licensee no longer owns a Residential Unit. If a Storage Bin License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to the Storage Bin License Agreement, or if a Residential Unit Owner surrenders its Storage Bin License without assigning such License to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for such Storage Bin, upon terms and conditions determined in its sole discretion and without compensation to such Storage Bin Licensee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License. Notwithstanding the foregoing, a Storage Bin Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the license for such Storage Bin, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

Holders of Storage Bin Licenses will be responsible for all costs and expenses associated with the operation of the Storage areas and will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown on Schedule A-1) of such Storage Bin, which amount shall be subject to increase based on the percentage increase in subsequent Schedule B budgets approved by the Board, or otherwise as the Board deems necessary in its discretion. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to Common Charges. Sponsor shall not be obligated to pay Storage Bin License Fees for the Unsold Storage Bins or any maintenance costs other than Sponsor's obligation to pay Common Charges for any Unsold Residential Units. Sponsor makes no representation whatsoever regarding the future license fees to Storage Bin Licensees or to the availability of such Storage Bin Licenses.

If a licensee of a Storage Bin defaults in its obligations under the Storage Bin License or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such licensee cures such default, or (ii) terminate the Storage Bin License upon thirty (30) days written notice to such licensee.

5. Amenity Spaces

The Amenity Spaces in the Building are presently anticipated to include a gym, squash court, theater, and children's playroom, all located on the Subcellar Floor. All Residential Unit Owners shall have the right to access and use the Amenity Spaces, subject to the right of the Board to regulate its use in accordance with the By-Laws and the Rules and Regulations. The Board shall be responsible for the maintenance and repairs (whether structural or otherwise) of the Amenity Spaces and all the furnishings, fixtures, equipment, and machinery therein, and the costs and expenses associated therewith shall be allocated to Residential Unit Owners as set forth in the Notes to Schedule B or as otherwise provided in the By-Laws.

In addition, there will be an outdoor space on the Roof, which constitute Residential Common Elements, for the shared benefit of all Residential Unit Owners and occupants, the cost for operation, maintenance and repair of which shall be a Common Expense solely allocated to the Residential Units. The Common Terrace is located on the Roof and will be furnished with moveable outdoor furniture.

The Board shall have the right to adopt and collect rental fees related to the temporary rental to Unit Owners of Amenity Spaces and Common Terrace, which rental shall be subject to such terms as may be set forth in a form of amenity agreement acceptable to the Board.

6. Terraces

As indicated on the Floor Plans set forth in Part II of the Plan, Terraces are appurtenant to certain Residential Units in the Building, and are Residential Limited Common Elements available to the exclusive use of the Unit Owner of the Unit to which such Terraces are appurtenant, subject to and in accordance with the Declaration, By-Laws and the Rules and Regulations. Such Unit Owner shall be responsible for all normal maintenance and cleaning of such Terrace however, the costs and expenses of any repairs or replacements, structural or otherwise, (unless caused by or attributable to the Unit Owner) shall be charged to all Residential Unit Owners as a Residential Common Expense. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces.

The Board shall have the right to require a Residential Unit Owner to remove plantings, roof surfaces and other installations which have been placed on the Terraces if the Board determines, in its sole discretion, that such plantings or other installations may adversely affect the integrity of the Building or is otherwise unsafe. In addition, the Board shall have the right, in connection with any repair or maintenance work in the Building, to erect scaffolding temporarily on, upon or over any Terrace. In no event shall any Unit Owner of a Unit having a Terrace be permitted to enclose or erect any structure on such Terrace. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to

ensure the integrity of the Building and the health and safety of the occupants.

7. Common Elements

As is set forth in more detail in the Declaration, the Common Elements consist of the Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in the Declaration), and all parts of the Building, other than the Units themselves, including, generally foundations, exterior walls, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The Common Elements are divided into the following separate categories: (i) the General Common Elements, which are, generally, those Common Elements which serve or benefit all the Units or Unit Owners; (ii) the Residential Common Elements, which are, generally, those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or Residential Unit Owners; and (iii) the Residential Limited Common Elements, which are generally those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner. The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Article 7 of the Declaration (Exhibit 6 in Part II of the Plan) and the Description of Property and Specifications (Exhibit 4 in Part II of the Plan).

Until such time as no Unsold Residential Units are remaining in the Condominium, Sponsor and/or its designees have with respect to the roof of the Building, the exclusive right (and such easements as shall be necessary or useful) at any time and from time to time at its sole cost and expense, to exclusively erect, use, lease, license, maintain, repair, replace and operate a structure, platform or other installation for any purpose permitted by Legal Requirements, including without limitation, for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other equipment; provided, however, that such portion of the roof of the Building has not been expressly designated under this Plan (and actually used) for the exclusive or common use of one or more Residential Unit Owners, or for the location of any other Building equipment, and further provided that that Sponsor shall give prior notice to the Board for information purposes only of the type and location of such structure or installation. Sponsor has the further right to erect, use, lease, maintain, repair, replace and operate related electronic and other equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations or rights of Sponsor and/or its designees with respect to the roof or mechanical equipment room shall be the sole obligation or right of Sponsor and not of the Condominium, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use. The word equipment as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies

8. Available Services and Facilities

The available services and facilities are described below in the Section entitled "Building Standard Services and Facilities". The Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. Building Standard Services and Facilities:

(i) Doorman, Front Desk Attendant and Concierge. The residential lobby area will be staffed 24 hours per day, seven days per week. Staffing will include a doorman and/or a front desk attendant. In addition, a concierge will be stationed in the lobby during certain days and hours. The hours and duties of the doorman, front desk attendant and concierge may be reduced until certain occupancy levels in the Condominium are achieved. However, at all times after the First Closing, the lobby will be attended 24 hours a day, 7 days a week.

(ii) Elevator Service. The two passenger elevators will be automatically operated and therefore will be in service as necessary, 24 hours per day, seven days per week. Use of the passenger elevators for residential move-in, move-outs and deliveries will be scheduled by prior arrangement with the Managing Agent, subject to such policies established by the Board governing such use.

(iii) Communications Facilities. Each Unit will be equipped with an intercom system that communicates with the front desk in the Residential Lobby.

(iv) Mail. Mailboxes will not be provided. Mail will be managed by the building staff and held in the lobby desk or package room, located adjacent to the Residential Lobby.

(v) Maintenance Personnel. Building maintenance personnel will include a Visiting Manager/Super, and porters as may be necessary for the proper maintenance and cleaning of the common areas.

(vi) Refuse Disposal. There will be recycling bins and a refuse chute located on each residential floor. Each chute will lead directly to a compactor at the Cellar Floor. Building staff will transfer compressed refuse to the sidewalk as needed pending collection by the City of New York Department of Sanitation. Recycling bins on each residential floor will be emptied as necessary by Building staff.

(vii) Other Service Contracts. Certain additional services covered by third-party contracts, such as elevator maintenance are included in Building standard services.

(viii) Carbon Monoxide Detectors. Each Unit will contain a combination smoke/carbon monoxide detector.

(ix) Security Procedures. Closed circuit television cameras will be positioned to monitor selected entrances and corridors with viewing monitors at the concierge desk. No representation or warranty is made and no assurance is given that the security systems

and procedures of the Building will prevent personal injury or damage to or loss of personal property.

(x) Cable Television. Cable television service will be available for all Residential Units. All charges for cable television service (including installation and subscription charges for individual Residential Units) will be paid by each Residential Unit Owner who subscribes directly with the cable television service provider.

(xi) Bicycle Storage. A resident bicycle storage space will be available on the Cellar Floor of the Building. Initially, 6 bicycle storage spaces will be provided. Such storage space will be made available only to residents of the Building, upon application to the Board, on a first-come, first-served basis, with fees set at an initial rate of $20.00 per storage rack per month, subject to change at the discretion of the Board and subject to such Rules and Regulations as the Board may adapt in its discretion.

(xii) Common Terrace. There will be one common terrace available for the use of the Residential Unit Owners and occupants, located on the Roof of the Building, which will be furnished with movable furniture. The Rooftop Common Terrace is an accessory to the residential space of the Building.

b. General Provisions Concerning Services and Facilities

No representation or warranty is made as to the continued operation or existence of any of the foregoing services or facilities once Sponsor is not in control of the Board, and neither Sponsor nor the Board shall have any liability with respect to or arising from any Unit Owner's, tenant's or occupant's use of any of the foregoing or the amount of the fees, if any, charged therefor.

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

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

Although Sponsor anticipates that many of the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services may not be available until 12 months after the First Closing (e.g., full staff of building personnel, the Amenity Spaces, Storage Bins, Bicycle Storage Room and Common Terrace on the

Roof). However, it is anticipated that at all times after the First Closing, the lobby will be attended twenty-four hours per day, seven-days per week, and there will be at least one elevator servicing every floor on which there are occupied Units. The interim level of staffing will at all times during this period will be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. Purchasers are also advised that during such period and beyond, various systems (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators) may be disrupted temporarily and from time to time. See the Special Risks entitled "Interim Service Period" and "Additional Building Work" above.

Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical, electrical, plumbing and other systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Unit), work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; (ii) individual Unit Owners within their Units (to perform custom renovations, etc.); and (iii) Commercial Unit Owners within their Units with respect to build-out of their space.

During at least the First Year of Operation, and for approximately 12 months afterward, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction or renovation work, making adjustments and performing various other tasks related to the completion of Sponsor's construction work at the Building, fitting out of, and moving into, the Units and other portions of the Building. Various systems may be disrupted temporarily from time to time (specifically, water supply, air conditioning, heating, cooling, gas, electric, ventilating and other systems, and elevators). Residential elevators may be taken out of service and, along with personnel, diverted to facilitate construction and renovation, and exterior hoists or scaffolding may be in place, during the First Year of Operation, and for approximately 12 months afterward, and from time to time thereafter, as needed, in connection with construction and renovation being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems may require 18 months or more after the First Closing to complete.

Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will generate noise, odors, dust, debris, and otherwise create a disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. As a result, certain amenities and benefits anticipated to be available to Unit Owners (e.g., full staff of building personnel, the Amenity Spaces, Storage Bins, Bicycle Storage Room and Common Terrace on the Roof) may not be available during the First Year of Operation, and for approximately 12 months afterward. Sponsor shall have no liability whatsoever in the event these services are delayed, not made available, or discontinued by the Board (after Sponsor control or if not determined by Sponsor) or Unit Owners in the future (after having been instituted) or disrupted.

Further, the Board and/or Sponsor may refuse to permit a Residential Unit Owner to perform alterations in a Unit until such time as Sponsor's construction work at the Building has been completed and permanent Certificate(s) of Occupancy have been obtained therefor. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units. Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 1161-1171 Madison Avenue , in the Borough of Manhattan, City and State of New York, located on the east side of Madison Avenue between East 85th Street and East 86th Street. The Condominium is located within a short walking distance to Central Park. In the immediate vicinity of the Building exists an array of outstanding cultural amenities, excellent public and private schools, and a variety of boutique retailers and restaurants.

New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

New York City is served by three major airports -- LaGuardia Airport, John F. Kennedy International Airport and Newark International Airport, located approximately 6, 15 and 17 miles from the Condominium, respectively.

Transportation to and from the Building, and throughout New York City, is readily available by taxi, limousine, private automobile, subway or bus. A number of commercial parking garages are located nearby. The Building offers convenient access to the major arteries connecting Manhattan to all boroughs of New York City, Westchester County, Long Island, Upstate New York, New Jersey, Connecticut and the three major airports servicing the New York Metropolitan Area.

Public transportation via subways and buses is also readily available. Subway access includes the 4, 5 and 6 train lines. A bus stop for the M1, M2, M3 and M4 is located across the street from the Building. In addition, the area is serviced by the BxM2 and M79, bus lines, which all stop nearby the Building. NO REPRESENTATION IS MADE AS TO THE CONTINUED SERVICE OR LOCATION OF ANY PUBLIC TRANSPORTATION.

Central Park is located a few blocks from the Building with entrances on 5th Avenue and 85th Street. There are also a wide variety of cultural activities in the area. The Metropolitan Museum of Art is located a block away, off of 5th Avenue and 80th Street. The Neue Gallery is located at 86th Street and 5th Avenue. Nearby public libraries include locations at 222 East 79th Street and 328 East 67th Street. Many religious faiths have congregations within walking distance of the Property.

Numerous private schools, public schools and parochial schools are easily accessible from the Building. The public schools in the area include P.S. 6, P.S. 290 Manhattan New School, the Robert F. Wagner Middle School, and Eleanor Roosevelt High School. Certain public school programs require that parents apply for admission for their children.

Private schools in the area include Hewitt School, the Rudolph Steiner School, Marymount School of New York, the Ramaz School, and the Dalton School.

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

The nearest police precinct is the 22th Police Precinct – Central Park Precinct with a station located in Central Park off the 86th Street Transverse Road. Fire protection is provided from the Battalion 10, Engine 222, Ladder 13 fire station located at 159 East 85th Street. The zip code for the Building is 10028, which as of the date hereof, is serviced by the station located at 1483 York Avenue with another station located at 229 East 85th Street.

The area is served by numerous hospitals and medical facilities located within an approximate two-mile radius of the Premises, including Lenox Hill Hospital at 100 East 77th Street, Manhattan Eye, Ear & Throat Hospital at 210 East 64th Street, Mount Sinai Hospital at 1190 Fifth Avenue, Memorial Hospital for Cancer and Allied Diseases at 1275 York Avenue, and New York Weill Cornell Medical Center at 525 East 68th Street.

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

2. Zoning

The Building is located in an area zoned C5-1, MP (Special Madison Avenue Preservation District), with Use Groups 1-6 and 9-11 as per the New York City Zoning Resolution section 32-00, which permits residential, community facility and commercial uses. The intended use of the Building as described in this Plan will be in compliance with the current requirements of the Zoning Resolution. Sponsor does not own and is not developing any of the sites immediately adjacent to the Building.

1165 Madison Avenue Condominium

SCHEDULE A

Offering Prices and Related Information
All Projected Charges are for the Twelve Month Period
Commencing July 1, 2023 and Ending June 30, 2024 ("First Year")

Unit	Unit Description Number of Bedrooms & Baths, Etc.	Approximate Square Footage of Unit	Approximate Square Footage of Terrace(s)	Offering Price	Residential Common Interest	General Common Interest	Estimated Monthly/Annual Common Charges (First Year)		Estimated Monthly/Annual Real Estate Taxes (First Year)		Estimated Monthly/Annual Real Estate Taxes (Second Year)		Total Estimated Annual/Monthly Carrying Charges (First Year)	
(1)		(2)				(4)	(5)		(6)					
3N	3 BD/3.5 BA	2,858	n/a	$8,950,000	4.86%	4.56%	$4,204	$50,443	$2,173	$26,076	$4,113	$49,357	$6,377	$76,519
3S	2 BD/3 BA	2,665	132	$8,525,000	4.58%	4.31%	$3,968	$47,619	$2,051	$24,616	$3,883	$46,594	$6,020	$72,235
DUPLEX	5 BD/5.5 BA	5,053	n/a	$16,150,000	8.59%	8.06%	$7,432	$89,184	$3,842	$46,103	$7,272	$87,265	$11,274	$135,287
4S	3 BD/4 BA	2,755	n/a	$9,450,000	4.68%	4.40%	$4,052	$48,625	$2,095	$25,136	$3,965	$47,579	$6,147	$73,761
5S	4 BD/5 BA	3,225	n/a	$10,500,000	5.48%	5.15%	$4,743	$56,920	$2,452	$29,425	$4,641	$55,695	$7,195	$86,345
7th Floor	5 BD/6.5 BA	6,118	n/a	$18,250,000	10.40%	9.76%	$8,998	$107,981	$4,652	$55,820	$8,805	$105,657	$13,650	$163,801
8th Floor	5 BD/6.5 BA	6,094	n/a	$18,450,000	10.36%	9.73%	$8,963	$107,557	$4,633	$55,601	$8,770	$105,243	$13,597	$163,159
9th Floor	5 BD/6.5 BA	6,132	n/a	$18,650,000	10.42%	9.79%	$9,019	$108,228	$4,662	$55,948	$8,825	$105,899	$13,681	$164,176
PHA	5 BD/5.5 BA	5,209	924	$24,000,000	9.24%	8.68%	$8,001	$96,014	$4,136	$49,634	$7,829	$93,948	$12,137	$145,649
PHB	5 BD/5.5 BA	4,784	381	$21,500,000	8.29%	7.79%	$7,176	$86,117	$3,710	$44,518	$7,022	$84,264	$10,886	$130,635
PHC	7 BD/8.5 BA	7,910	1,101	$39,650,000	13.91%	13.06%	$12,039	$144,467	$6,223	$74,682	$11,780	$141,359	$18,262	$219,149
PHD	4 BD/4.5 BA	5,101	1,249	$26,500,000	9.20%	8.64%	$7,962	$95,542	$4,116	$49,390	$7,791	$93,486	$12,078	$144,932
Totals Residential		**57,904**	**3,787**	**$220,575,000**	**100.00%**	**93.93%**	**$86,559**	**$1,038,699**	**$44,746**	**$536,950**	**$84,696**	**$1,016,347**	**$131,304**	**$1,575,649**
Commercial A		1,874	n/a			3.04%	$1,055	$12,659	$1,447	$17,364	$2,739	$32,865	$2,502	$30,023
Commercial B		1,871	n/a			3.03%	$1,053	$12,639	$1,445	$17,336	$2,734	$32,813	$2,498	$29,975
Totals Commercial		**3,745**	**n/a**			**6.07%**	**$2,108**	**$25,298**	**$2,892**	**$34,700**	**$5,473**	**$65,678**	**$5,000**	**$59,998**
Totals		**61,649**	**3,787**	**$220,575,000**	**100.00%**	**100.00%**	**$88,667**	**$1,063,997**	**$47,638**	**$571,650**	**$90,169**	**$1,082,025**	**$136,304**	**$1,635,646**

BD - denotes Bedrooms
BA - denotes Bathrooms

1165 Madison Avenue Condominium

SCHEDULE A -1
Note (3a)
OFFERING PRICES OF STORAGE BIN LICENSES AND
LICENCE FEE DURING THE FIRST YEAR OF CONDOMINIUM OPERATION
Commencing July 1, 2023 and Ending June 30, 2024 ("First Year")

	Storage Bin #	Floor	Approximate Gross Square Feet	Offering Price	Monthly License Fee
	A	Cellar	16	$35,000	$16
	B	Cellar	18	$35,000	$18
	C	Cellar	18	$35,000	$18
	D	Cellar	35	$75,000	$35
	E	Cellar	19	$40,000	$19
	F	Cellar	16	$35,000	$16
	G	Cellar	16	$35,000	$16
	H	Cellar	17	$35,000	$17
	I	Cellar	17	$35,000	$17
	J	Cellar	17	$35,000	$17
	K	Cellar	21	$40,000	$21
	L	Cellar	17	$35,000	$17
Totals	**12**		**227**	**$470,000**	**$227**

NOTES TO SCHEDULE A

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2023 through June 30, 2024. The actual First Year of Condominium Operation may begin earlier or later than that year.

(1) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation, within reasonable tolerances, of the square foot area and layout of the Residential Unit in question. Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Unit of five percent (5%) or less, or Unit size that is diminished by five percent (5%) or less, is not material. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. The following Units have a Terrace, which constitutes a Limited Common Element appurtenant to the Unit: 3S, Penthouse A, Penthouse B, Penthouse C, Penthouse D. A Terrace constitutes "uninhabitable space" that may not be legally used as a bedroom or living room. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the Unit Owner to remove. (See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" below for further details concerning and certain limitations applicable to Sponsor's rights with respect to changes in the construction of the Units and the Common Elements.)

(2) The approximate floor area of each Unit has been measured horizontally from the exterior side of the exterior walls, centerline of adjacent stair wall and shared refuse room separating a Residential Unit from such stair or refuse room, and centerline of public corridor, elevator, and of partitions separation one Unit from another Unit (columns, mechanical pipes, mechanical equipment, shafts, chases and conduits are not deducted

from the measurements of each Unit). In addition, with respect to Penthouse A and Penthouse B, where a non-duplex Residential Unit is the only Unit on a given floor, the square footage of the residential elevator shafts, and residential egress stairs on such floor, which are Residential Common Elements, have been included in the total square footage of that Unit. With respect to Penthouse C and Penthouse D, which are full-floor duplexes and the only Residential Units on each of the Penthouse C and Penthouse D Floors, the square footage of the elevator shafts, and residential egress stairs on the upper level have been included in the square footage of the Unit, while on the lower level the square footage of one elevator shaft has been included in its total square footage. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

Each Residential Unit is measured vertically from the top of the finished flooring (located above the slab and sub-floor materials) to the underside of the finished ceiling, subject to normal construction tolerances and the below.

The foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceilings to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserves the right to make changes due to unforeseen conditions in accordance to the Offering Plan. Each Residential Unit will be measured vertically from the top of the concrete slab to the underside of the slab above. The approximate top of slab (T.O.S.) to underside of slab (U.O.S.) heights and the approximate floor to ceiling heights (measured vertically from T.O.S., excluding finished floor, to finished U.O.S.) and typical dropped ceiling heights (measured from T.O.S. to finished ceiling) for the floors containing residential units are provided in the following chart. The ceiling heights will vary based on mechanical and structural conditions in the ceiling, and may be lower than the heights stated below. In conditions where the underside of slab is the finished ceiling, the ceiling height may vary, and may vary from room to room, due to as-built concrete conditions.

Each Terrace is measured horizontally from the exterior face of the exterior wall to the outside face of the parapet wall.

The storage bins are measured from outside mesh to outside mesh.

The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, may not reasonably represent the actual useable floor area for each Unit or Storage Bin (measured from interior surface to interior surface). As is customary in condominiums, the square footage listed in Schedule A may materially exceed the actual usable floor area within each Unit or Storage Bin. The stated method of measurement used is applicable to all Units. All dimensions on the Unit plans/exhibits are approximate and subject to normal construction variances and tolerances. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

Each Unit includes, and each Unit Owner shall be responsible for (maintaining, repairing,

replacing, etc.), all fixtures, equipment and other items of personalty, including, without limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as defined in the Declaration) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit.

(3) Sponsor has reserved the right to change the Purchase Prices (as well as other terms of sale) of Residential Units (and/or Storage Bin Licenses) not subject to executed Agreements, so Purchasers may pay different prices for similar Units (and/or Storage Bin Licenses). (See the Section entitled "Changes in Prices, Residential Units and Storage Bin Licenses" below for further discussion.) In addition to paying the Purchase Prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without limitation, the obligation to contribute two months of Common Charges attributable to the Unit to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units. (See the Section entitled "Unit Closing Costs and Adjustments" below for further discussion.)

As provided for in Section 6.10.5 of the By-Laws, Sponsor shall have the exclusive right to initially issue Storage Licenses for Storage Bins and to retain the proceeds thereof. Thereafter proceeds from the assignment of a Storage License shall be retained by the assignee of such Storage License. Upon the initial sale, the Board constitutes the licensor of the Storage Bin and shall be entitled to collect license fees as further set forth below. In no event may any of the Storage Bins be used as a dwelling space or for storing property which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings that will be the obligation of the licensee to remove.

Notwithstanding the fact that the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax are, by law the primary obligation of the seller, such obligation is transferred to Purchasers pursuant to the Plan (as is customary in

condominium offerings) to pay such taxes at the closing of title to their Unit(s). For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. As of the filing date of this Plan, for Purchasers whose closings will occur on or after July 1, 2019 and whose Agreements were entered into after April 1, 2019, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax ("NYC RPTT") is 1% of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax ("NYS RETT") is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Unit, and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Unit if the consideration for such Unit is $3,000,000 or more. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Section 1402-a of the New York State Tax Law, currently 1% of the total consideration paid when such consideration is $1,000,000 or more, and the New York State Supplemental Tax pursuant to Section 1402-b of the New York State Tax Law if the total consideration for such Unit is $2,000,000 or more (collectively, the New York State Additional Tax and the New York State Supplemental Tax being referred to herein as the "Mansion Tax"), which tax by law is the primary obligation of the Purchaser. The chart below sets forth the rate of Mansion Tax based on the consideration paid for a residential unit. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

Consideration amount	**NYS Mansion Tax Rate (which represents an aggregate of the New York State Additional Tax and New York State Supplemental Tax)**
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%
More than $25 million	3.9%

In addition to transfer taxes and the Mansion Tax, Purchasers shall also be obligated to pay

at closing any tax relating to the purchase or sale of real estate or similar interests on the transfer of a Residential Unit enacted after the filing date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as may be amended, may be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers are further advised to consult with their attorney or a tax expert regarding the transfer or mansion taxes or other costs which may be payable in connection with closing of title.

The purchase price, transfer taxes and any other consideration paid for a Residential Unit will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at the total consideration for transfer tax and Mansion Tax purposes. However, pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the New York State transfer tax amount will not be included as additional consideration for purposes of calculating New York State transfer taxes. Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

Under the New York City Department of Finance's current policies, where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the higher New York City Real Property Transfer Tax non-residential rates will apply, i.e., where the consideration is $500,000 or less, the rate would be 1.425% and where the consideration is in excess of $500,000, the rate would be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. Thus, in connection with a bulk sale or otherwise, it is possible that a Purchaser could be required to pay the higher non-residential rate for purposes of the New York City Real Property Transfer tax and also pay the Mansion Tax. Sponsor makes no representation as to which transfer tax rates will apply at the time of closing of a particular Residential Unit.

(4) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, 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 the

Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%. The Percentage of Residential Common Interest is the ratio of the Common Interest appurtenant to each Residential Unit compared to the aggregate Common Interest appurtenant to all Residential Units, expressed as a percentage.

Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to a Commercial Unit. In such event, the Common Interest appurtenant to each individual Residential Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Common Interest of any Residential Unit be increased as a result of any of the foregoing by more than five percent (5%) of the Common Interest of said Unit identified in Schedule A, and there is a rebuttable presumption that an increase in a Residential Unit's Common Interest by five percent (5%) or less is not material.

(5) These projections have been based upon the projections contained in Schedule B – "Projected Budget for First Year of Condominium Operation" (set forth in Part I of the Plan), which were made based on the assumption that the First Year of Condominium Operation will be July 1, 2023 through June 30, 2024. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold.

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

The amount of the Common Charges necessary to defray the cost of the interim services

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

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Control by Sponsor; First Residential Meeting", Sponsor shall have the right, in its sole and absolute discretion, to cause the Board to waive the collection of some or all of the Common Charges from Unit Owners for a period of time prior to full occupancy of the Condominium (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all remaining expenses to operate the Residential Section during the Waiver Period (the "Operating Expenses"). In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall give all Unit Owners and Purchasers at least thirty (30) days prior notice of the expiration of the Waiver Period, and will identify the date on which the Waiver Period expired in the next substantive amendment to the Plan to be filed; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses (which shall not include real estate taxes, whether the Units have been separately assessed or not), including but not limited to insurance premiums and any reserve fund payments required by lenders to the extent otherwise included in Schedule B – "Projected Budget for First Year of Condominium Operation"; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as provided in the Condominium Documents. Sponsor, in its sole and absolute discretion, may upon 30 days prior written notice to Unit Owners terminate the Waiver Period.

In addition to the payment of Common Charges, each Residential Unit Owner will incur additional expenses for, among other things:

(a) mortgage payments under any loan or loans obtained to finance the purchase of the Residential Unit;

(b) the cost of electricity (and any other utility, if applicable) supplied to the Residential Unit, which will be separately directly metered and payable as and when billed;

(c) the cost of interior repairs, compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Residential Limited Common Elements;

(d) the cost of any insurance that the Residential Unit Owner may be required to (or desire to) carry covering the furniture, belongings, equipment and other personal

property in the Unit, as well as the cost of any insurance the Unit Owner may be required to carry covering liability to others for personal injury or property damage as a result of occurrences in the Unit;

(e) telephone, internet access and cable television charges; and

(f) real estate taxes (see footnote 7 below).

Holders of Storage Bin Licenses will be required to pay an initial monthly license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown on Schedule A-1) of such Storage Bin, which amount shall be subject to increase based on the percentage increase in subsequent Schedule B budgets approved by the Board, or otherwise as the Board deems necessary in its discretion. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to Common Charges. Sponsor makes no representation whatsoever regarding the future license fees to Storage Bin Licensees or to the availability of such Storage Bin Licenses.

During the First Year of Operation or within the 12 months afterwards it is anticipated that the Storage Bins will be completed and, as a result, Storage Bins may not be completed or available for use at and for a period of time following the closing of title to any particular Unit. However, a Purchaser who has executed a rider to his or her Agreement to purchase a Storage Bin License will be required to consummate the purchase of its Unit and the Storage Bin License, without credit or offset, notwithstanding that the Storage Bin for which any such license pertains is not substantially complete, or not yet covered by a temporary certificate of occupancy, or not available for Purchaser's use at such time provided, however, that in such event the amount of the purchase price of the Storage Bin License will remain in the Escrow Account and not be released to Sponsor until completion of the Storage Bin, as evidenced by the issuance of a certificate of occupancy covering the Storage Bin. Further, until a temporary or permanent certificate of occupancy covering a given Storage Bin has been issued and the use of the Storage Bin is made available to its Purchaser, applicable monthly license fees for the Storage Bin License will not be collected from Purchaser

A resident bicycle storage space will be available on the Cellar Floor of the Building. Initially, 6 bicycle storage spaces will be provided. Such storage space will be made available only to residents of the Building, upon application to the Board, on a first-come, first-served basis, with fees set at an initial rate of $20.00 per storage rack per month, subject to change at the discretion of the Board and subject to such Rules and Regulations as the Board may adapt in its discretion.

(6) The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation, is based upon a letter dated February 23, 2021 prepared by Goldberg Weprin Finkel Goldstein LLP, Sponsor's real estate tax expert, having an address at 1501 Broadway, 22nd Floor, New York, New York 10036, and takes into account the following assumptions and projections:

(a) that the First Year of Operation will commence July 1, 2023 and conclude June 30, 2024, and will consist of the 2023/2024 tax year;

(b) that the property will not be completed by the taxable status date of January 2023, and thus, for the 2023/2024 tax year, the property will be valued as a partially completed building;

(c) that the property will be reassessed as a fully completed structure for the 2024/2025 tax year;

(d) the assessed value for the property after construction is completed is $8,796,955; and

(e) a tax rate of 12.3% for both the 2023/2024 and 2024/2025 tax years.

The building will not be completed by the fiscal year 2023/2024, which is the first year of condominium operation. The Department of Finance would value the property as a partially completed building. Based on the projection and assumptions set forth above and in the real estate tax letter, Sponsor's real estate tax expert projects the real estate taxes for the 2023/2024 tax year, which is the first year of condominium operation, to be $571,650.

The building is projected to be completed by the fiscal year 2024/2025, which is the second year of condominium operation. It should be expected that for the second year of condominium operation, during which time the building will be valued as a fully completed structure for all twelve months, the real estate taxes payable for the Residential Units will be greater than the amounts set forth in the Schedule A. Based on the projection and assumptions set forth above and in the real estate tax letter, Sponsor's real estate tax expert projects the real estate taxes for the 2024/2025 tax year, which is the second year of condominium operation, to be $1,082,025.

After the City of New York assesses each Unit as a separate tax lot and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against his or her Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units.

No warranty, guarantee or assurance is given that:

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

(ii) the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the proportionate Common Interests of the Units, or that such bureau will allocate the

aggregate assessed valuation attributable to the Units among the different Units as described above; or

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

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

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

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

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions, generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate. The U.S. House of Representatives has passed a bill that would make the $10,000 limitation for the deduction of state and local real property taxes and all other state and local taxes permanent, but this bill has not been passed by the Senate and is not currently in effect. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections of this Plan

entitled “Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium”, as well as to the “Sponsor’s Counsel’s Income Tax Opinion” reproduced herein, for further discussion.

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D. SCHEDULE B – "PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION"

(NOTES TO SCHEDULE B FOLLOW ON SUCCEEDING PAGES)

1165 Madison Avenue Condominium
Projected Budget for First Year of Condominium Operations
July 1, 2023 to June 30, 2024 (Note 1)

Estimated Income	Residential Units	Commercial Unit	Total
Common Charges (Note 2)	$ 1,038,699	$ 25,298	$ 1,063,997
Storage Area Income (Note 3a)	$ 2,724	$ -	$ 2,724
Bicycle Room Income (Note 3b)	$ 1,440	$ -	$ 1,440
Total Estimated Income	$ 1,042,863	$ 25,298	$ 1,068,161
Estimated Expenses			
Payroll And Related Expenses (Note 4)	$ 469,710	$ 2,392	$ 472,102
Gas Heat, Cooking & Hot Water (Note 5)	$ 14,058	N/A	$ 14,058
Electricity for Common Elements (Note 6)	$ 110,541	N/A	$ 110,541
Water Charges and Sewer Rent (Note 7)	$ 34,691	N/A	$ 34,691
Repairs, Maintenance & Supplies for Common Elements (Note 8)	$ 72,003	$ 4,997	$ 77,000
Service Proposals & Contracts (other than Elevator Maintenance)(Note9)	$ 147,235	$ 7,165	$ 154,400
Elevator Maintenance (Note 10)	$ 22,000	N/A	$ 22,000
Insurance (Note 11)	$ 54,852	$ 3,148	$ 58,000
Management Fee (Note 12)	$ 38,885	$ 3,115	$ 42,000
Prof. Fee (Note 13)	$ 17,767	$ 1,233	$ 19,000
Administrative Expenses (Note 14)	$ 33,664	$ 2,336	$ 36,000
Contingency 2.5% Approximately (Note 15)	$ 27,457	$ 911	$ 28,368
Total Estimated Expenses	$ 1,042,863	$ 25,298	$ 1,068,161

NOTES TO SCHEDULE B

(1) The budget shall be based upon the twelve (12) month period commencing on July 1, 2023 and ending June 30, 2024. If the actual or anticipated date of commencement of the First Year of Condominium Operation is to be delayed more than six (6) months from the aforementioned budget year, then Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor must offer all affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Plan. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold.

(2) Common Charges Residential Units/Commercial Unit: $1,063,997

These amounts represent the total Common Charges to be levied against and collected from the Residential Units and the Commercial Unit during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board of Managers to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated among the Units on the basis of percentage interest in the Common Elements. Where the allocation of Common Expenses is not based on percentage interest in the Common Elements or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Commercial Unit Owner will be obligated to pay its fair share of the expenses that are incurred by the Board of Managers in furnishing those services, as well as operating, maintaining and repairing those Common Elements that are utilized by such Unit Owner. Except for certain limited services and Common Elements, which the Commercial Unit Owner shares with the Unit Owners in general, the Commercial Unit is being constructed, equipped and separately metered to operate as an independent Unit with a minimum of common expenses or operations with the remainder of the Units. Commercial Unit have been allocated 2.38% of total common charges income.

(3a) Storage Area Income: $2,724

With respect to those Unit Owners who have purchased a Storage License from Sponsor, the Condominium will charge a fee to defray expenses related to its ongoing maintenance of the Storage Bins. This amount represents income that will be generated by fees related to 12 Storage Bins, at an initial rate of $1 per square foot per month, subject to increase as set forth in the By-Laws. The Sponsor will not be obligated to pay any license fees and thus notwithstanding their inclusion here, the funds in this line item will not be available to offset expenses to the extent the Storage Licenses have not been conveyed by Sponsor. To the extent there is a resulting shortfall in this income item at the conclusion of the operating year, the difference will be made up through surpluses in other line items or otherwise through the use of contingency fund.

(3b) Bicycle Room Income: $1,440

This amount represents income that will be generated by fees of 6 bicycle storage racks, for purposes of defraying the Condominium's expenses related to their ongoing maintenance. The process for assigning bicycle storage is as fully set forth in the By-Laws. These storage racks will be assigned to Unit Owners at an initial rate of $20 per storage rack per month, subject to increase as set forth in the By-Laws. The Sponsor will not be obligated to pay any license fees and thus notwithstanding their inclusion here, the funds in this line item will not be available to offset expenses to the extent the storage racks have not been assigned by Sponsor. To the extent there is a resulting shortfall in this income item at the conclusion of the operating year, the difference will be made up through surpluses in other line items or otherwise through the use of contingency fund.

(4) Payroll and Related Expenses: $472,102

The payroll projection for the Building is based upon a proposal from Century Management Services Inc., located at 440 Ninth Ave, Suite 1500, New York, NY 10001 ("Century") to provide concierge/doorman services and janitorial and maintenance services.

Pursuant to Century's proposal the following services will be provided at the quoted costs:

Concierge:

The lobby of the Building will be manned by one Concierge position, to provide 8 hours per day coverage during the week. The Front Desk Attendant shall assist those arriving and departing and provide general concierge duties. The Front Desk Attendant will supervise all admissions to the lobby, hand over packages and mail.

Concierge will be contracted under a third party service proposal:

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Payroll Tax
Concierge	40	$10,000.00	$120,00.00

***** Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Lobby will be attended by a doorman, 24 hours per day, 7 days per week. Two shift of the Doorman during the week will be employed by Condominium and one shift will be employed by Livun Ltd and all benefits will be provided.

Visiting Manager/Super:

The duties of Visiting Manager/Super include checking the daily operation of the common mechanical equipment in the Building and supervising the building porter.
Such level of staffing complies with all applicable housing and labor laws.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Payroll Tax
Super	40	$8,666.67	$104,000.00

***** Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Super will be employed by condominium and all benefits will be provided.

Front Desk Attendant:

The lobby of the Building will be manned by one Front Desk Attendant position, to provide 16 hours per day coverage during the week and 24 hours per day coverage during the weekend. The Front Desk Attendant shall assist those arriving and departing and provide general concierge duties. The Front Desk Attendant will supervise all admissions to the lobby, hand over packages and mail. The hours of the Front Desk Attendant may be reduced until certain occupancy levels in the Condominium are achieved.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Payroll Tax
Front Desk Attendant	128	$14,421.33	$173,056.00

***** Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Our pricing incorporates the following: We will provide, professional screening, training, oversight/supervision for all on-site personnel. All benefits will be provided by Royale Concierge Services.

Porter:

The duties of the non-resident Porter include cleaning the sidewalk in front of the entrances to the Building, including snow removal, cleaning the common hallways, stairs, elevator cab and common areas, as needed and putting out trash for collection.

The building will use services of one part time porter (total 4 hours a day) during the week and on the weekends. Porters will be employed for a total of 28 hours per week.

SERVICE	# OF HOURS PER WEEK	MONTHLY COST	ANNUAL TOTAL with Payroll Tax
Porter	28	2,426.67	$29,120.00

***** Holiday rate is included, our six (6) holidays:
Memorial Day • Independence Day • Labor Day • Thanksgiving Day • Christmas Day • New Year's Day

NOTE: Our pricing incorporates the following: We will provide, professional screening , training, oversight/supervision for all on-site personnel. All benefits will be provided by Royale Concierge Services.

The total annual costs for the above described services are $426,176.

This includes labor, holidays, one week paid vacation, two personal days, payroll tax and health benefits to be offered to all full-time associates if they choose to accept them.

The projected annual cost has been increased by 15% for inflation ($426,176 x 115% = $472,102).

The total annual costs for the payroll and salary projected to be $472,102.

It is expected that the Commercial Unit will incur 0.51% of super expenses which is estimated to be $2,292.

(5) Gas Heating, Cooking and Hot Water for Common Elements and Residential Units: $ 14,058

Gas consumption for the Building, including any supplemental heat for the public corridors, domestic hot water in the Units and Common Elements, gas consumed for cooking, gas dryers and fireplaces in the Building and gas consumed in the Common Elements shall be provided by gas-fired, storage type domestic hot water heaters located in Roof Mechanical Level. The cost of this gas consumption for such heat, hot water and other uses shall be collectively metered by one or more meters. Gas service shall be provided by the Consolidated Edison Company of New York.

Total cost of gas consumption is based upon projections, dated January 19, 2021, made by Ventrop Engineering Consulting Group. The estimated amount for the First Year of Operation of the Condominium, including Common Elements is based on the following:

ESTIMATED UTILITY COMMON COSTS (does not include sub metered components)

1. The estimated first year cost for gas consumption for domestic hot water: $7,394.00

2. The estimated first year cost for gas consumption for cooking gas, fire places and dryers: $4,830.00

Estimated Total: $12,224.00 for the first year

Gas for heating, cooking and hot water will be supplied only to the Residential Units. Gas to heat the Commercial Unit will be separately metered and billed directly to the Commercial Unit.

It is impossible to predict whether the budgeted figure will reflect the actual cost of gas for the actual First Year of Condominium Operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat and hot water, etc.) adopted by the Board of Managers. Any projection of future costs therefore is difficult.

The projected annual cost has been increased by 15% for inflation ($12,224.00 x 115% = $14,057.60, increased to $14,058 for projection purposes).

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of gas during the projected first year of condominium operation. However, no budget item is warranted.

(6) Electricity for Common Elements: $ 110,541

The first year electricity projection includes the aggregate cost of electricity supplied to the Common Elements at the Property and it does not include the cost of individual units. Common site electric meters are for the elevator, lighting in public corridors and stairs, mechanical equipment and miscellaneous common electric power for the Building, including, but not limited to, the amenities of the Property, electricity consumed for heating and/or air-conditioning of the Common Elements. Electrical Service shall be provided by the Consolidated Edison Company of New York. The cost of electricity for the Common Elements shall be a Common Expense of all of the Unit Owners and shall be paid by the Board of Managers. The cost of such electricity has been estimated as of January 19, 2021, made by Ventrop Engineering Consulting Group.

The projections contained herein are based on consumption estimates of 480,615 kilowatt hours per year and a current flat residential average rate of $0.20 per Kwh. The total estimated annual electricity cost for the Common Elements is $96,123.00. The projected annual cost has been increased by 15% for inflation ($96,123.00 x 115% = $110,541.45, adjusted to $110,541.00 for projection purposes).

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

The amount set forth is the estimate for the electricity consumed only by the Common Elements. There will be one master Con Edison meter servicing the entire building, and each Residential Unit, the Commercial and the Common Elements will be sub-metered.

The Commercial Unit will be separately sub metered.

(7) Water Charges and Sewer Rent for Common Elements and Residential Units: $ 34,691

All charges for water consumed in both the Residential Units and in the Common Elements; together with all related sewer rents arising therefrom, shall be a Common Expense of all of the Residential Unit Owners and shall be paid by the Board of Managers.

The cost of water consumption in the Residential Units and in the Common Elements, together with all related sewer rents arising therefrom, has been estimated as of January 19, 2021, made by Ventrop Engineering Consulting Group. The amount budgeted for the Residential Units and the Common Elements is based upon the following:

Total Annual projected for Water & Sewage: $30,166.00

The projected annual cost has been increased by 15% for inflation ($30,166.00 x 115% = $34,690.90, increased to $34,691.00 for projection purposes).

The Commercial Unit will be separately sub metered and billed by the Condominium.

(8) Repairs, Maintenance & Supplies: $ 77,000

The figure does not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner, but is designated to cover the cost of maintaining the Common Elements only, i.e., interior repairs not within Units, exterior repairs, including walls, windows, doors and locks, and painting of common areas which have been designated as Common Elements. Each Residential Unit Owner will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units.

Generally, repair and maintenance expenses have been allocated among all Units on the basis of their shared percentage interest in the Common Elements as it relates to each Unit's projected consumption of such

items. However, as the Commercial Unit will incur repair and maintenance costs related only to the General Common Elements of the Condominium for which they utilize, those expenses are estimated to be 6.49% of this expense category.

Local Law 11-98 (FISP)

As set forth in Section I Part III of Description of Property and Specifications, New York City Façade Inspection and Safety Program (FISP) formerly known as Local Law LL11-98 applies to the Building

Under FISP, periodic inspections are required in order to maintain a building's exterior walls and appurtenances thereto in a safe condition. A filing is required for all buildings with exterior walls or parts thereof that are greater than six stories in height, including the basement, but not the cellar, as defined in the Building Code, and regardless of the information in the certificate of occupancy.

Buildings required to file a report shall do so once every five-year report filing cycle established by the department. A report shall be filed within sixty days of the date on which the visual critical examination is completed (final inspection date) and not more than one year after completion date of the required physical close-up inspection.

Typical components of the inspection report include a description of the building and any previous repairs or revisions to the exterior of the building, a description of the procedures used in making the critical examination, a summary of findings and recommendations, a statement of the scope of the inspection and findings, and the conclusions and a determination as to whether the building is categorized as "safe", "SWARMP", or "unsafe". The inspector looks for deterioration (cracks, spalls, joint deterioration), any movement detected, and apparent water-tightness of the exterior surfaces. Appurtenances are observed as well which include exterior fixtures, flagpoles, signs, parapets, railings, copings, guard rails, window frames, balcony enclosures, window air conditioners, window guards, flower boxes, and any equipment attached to or protruding from the façade. Balcony railings are to be inspected to ensure that their components are positively secured against upward movement. If any balcony enclosure is found not to be secured, the condition is classified as "unsafe".

A building is classified as "safe" when the condition of the building wall, any appurtenances thereto or any part thereof does not require repair or maintenance to sustain the structural integrity of the exterior of the building and that will not become unsafe during the next five years.

A building is classified as "SWARMP" (Safe with a repair and maintenance program) when the condition of the building wall, any appurtenances thereto or any part thereof is safe at the time of inspection, but requires repair or maintenance during the next five years in order to prevent its deterioration into an unsafe condition during that five-year period. The owner of the building is responsible for ensuring that the conditions described in the critical examination report as "SWARMP" are repaired and all actions recommended by the qualified inspector are completed within the time frame recommended by the qualified inspector, and are not

left to deteriorate into unsafe conditions before the next critical examination. A report may not be filed describing the same condition and pertaining to the same location on the building as "SWARMP" for two consecutive report filing cycles.

An "unsafe" condition is described as a condition of a building wall, any appurtenances thereto, or any part thereof that is hazardous to persons or property and requires prompt repair. In addition, any condition that was reported as "SWARMP" in a previous report and that is not corrected at the time of the current inspection shall be reported as an "unsafe" condition. All "unsafe" conditions shall be corrected within thirty days from the submission of the critical examination report. The owner of the building shall immediately commence such repairs or reinforcements and any other appropriate measures such as erecting sidewalk sheds, fences, and safety netting as may be required to secure the safety of the public. Within two weeks after repairs to correct the unsafe condition have been completed, a final inspection of the premises is needed to obtain permit sign-offs and an amended report shall be filed with the department stating the revised report status of the building.

The LL11-98 (FISP) requirements for new building state that a report shall be filed five years from the date the first temporary certificate of occupancy is issued if that five-year date falls within the applicable filing window according to the last digit of the building's block number. If the five years from the date the first temporary certificate of occupancy or permanent certificate of occupancy issued falls outside the applicable filing window, according to the last digit of the building's block number, then the initial report shall be filed within the applicable two-year filing window for the next five-year cycle.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction. Based on the anticipated completion of construction date of December 2022, the initial critical examination of the building shall be conducted in 2027, the fifth year following the erection of the exterior walls and / or enclosures inspection. Based on the current NYCDOB schedule the inspection will be scheduled during Cycle 10. A Qualified Exterior Wall Inspector, hired by the Management Company will inspect the facade of the building for integrity and safety. (FISP)

Compliance with FISP, including, but not limited to, hiring an architect or engineer to perform an inspection and filing a report with DOB, and any costs associated therewith shall entirely be the responsibility of the Condominium Board, and not of Sponsor. Purchasers are advised that costs associated with Local Law 11-98 (FISP) inspections could be substantial which will be covered through surpluses in other line items or otherwise through the use of contingency fund. It may include installation of construction bridges and other scaffolding as required by DOB for extended periods of time.

(9) Service Proposals & Contracts: $ 154,400

This estimate includes the cost of various services used in or for the Common Elements, including heating & cooling maintenance, sprinkler & fire protection, metal, extermination, concierge services, exterior window cleaning, maintenance and water treatment.

The following is a cost estimate for each prospective contract:

AC Maintenance	$27,500.00
Fire Alarm	$8,000.00
Window Cleaning	$15,000.00
Boiler Maintenance	$13,000.00
Water Treatment	$16,400.00
Generator	$8,000.00
Compactor	$3,000.00
Exterminating	$5,000.00
Sprinkler	$8,000.00
Metal/Marble/Wood	$8,000.00
Irrigation/Floral/Landscaping	$19,500.00
Sidewalk Maintenance	$5,000.00
HVAC Maintenance for Unit Owners	$18,000.00
Total:	$154,400.00

Service Proposals & Contracts for Residential Units will be allocated on the basis of their percentage interests (95.36%) in the Common Elements which is $147,235.

No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

The Commercial Unit will incur service contract and supply costs related only to the General Common Elements of the Condominium for which they utilize. The Commercial Unit will also purchase their own supplies as required by the Unit. Accordingly, service contract and supply expenses have been allocated among all Units on the basis of percentage of Common Interest (4.64%) as it relates to each Unit's projected consumption of such items.

The following is a cost estimate for Commercial Unit:

AC Maintenance / Heat pumps	$1,784.00
Fire Alarm	$518.00
Sprinkler	$518.00
Irrigation	$97.00
Sidewalk Maintenance	$324.00
Generator	$519.00
Water Treatment	$1,064.00
Window Cleaning	$974.00
Boiler Maintenance	$844.00
Compactor	$198.00
Exterminating	$325.00
Total	$7,165.00

The Plan will be amended to disclose any maintenance agreements or contracts not otherwise described herein.

(10) Elevator Maintenance $ 22,000

The passenger elevators in the Building which service all of the Residential Units is a Common Element of the Building. Therefore, the cost of any repairs, maintenance and/or replacement of the passenger elevators shall be the responsibility of the Residential Unit Owners as a Residential Common Expense.

The amount indicated below is an estimate made by the proposed Managing Agent for the Building, in the amount of $1,700 per month or $20,400 per annum, plus any applicable sales tax for the maintenance of the elevators at the Building. The amount estimated for such service does not include the cost of any required repair, if any.

The projected annual cost has been increased by 8% for inflation ($20,400 x 108% = $22,000).

(11) Insurance: $ 58,000

The following is recommended for the Condominium for the first year of Condominium Operation in a letter dated January 13, 2021 from A. Logan Insurance, having an office at 260 West 36th Street, 9th Floor, New York, New York 10018.

The following coverage for the First Year of Condominium Operation is proposed:

Building Property-All Risk/Agreed Amount/ Replacement Cost	$48,039,000
Maintenance Fees	$2,000,000
Boiler/Equipment Breakdown	$48,039,000
Deductible - $25,000	
General Liability	$ 1,000,000 Per Occurrence
	$ 2,000,000 Aggregate
	$ 1,000,000 Personal & Advertising Injury
	$ 2,000,000 Products/Completed Operations
	$ 5,000 Medical Expense (Per Person)
	$ 1,000,000 Non Owned Hired Auto
Umbrella Liability	$ 25,000,000 Per Occurrence/Aggregate
Directors & Officers Liability	$ 5,000,000
Deductible - $2,500	
Crime- Employee Dishonesty Coverage	$ 100,000
Deductible - $1,000	

TOTAL PREMIUM: **$ 58,000**

The projected annual cost for the above coverage is $58,000.00. The proposed coverage for the Property is quoted under a Package Policy on a Replacement Cost basis. The limits selected and set forth above would be payable in full, up to the policy limit in the event of a complete loss. The policy is written with no coinsurance. Therefore, in case of a partial loss, there would be no coinsurance factor used in adjusting the loss. However, the replacement cost quoted and the representation of non co-insurance is based upon the assumption that the quoted coverage should be adequate to repair or replace the Building if totally destroyed, using Marshall & Swift Publications as a guide, provided that there are approximately 70,636 square feet in the Building, above grade. Costs for Worker's Compensation coverage and New York State Disability are included in the cost projection for Salaries, including Payroll Taxes and Benefits. This quotation is an indication of insurance premiums at current market rates. Because conditions may change in the Insurance marketplace, based upon industry losses, catastrophes, economics, etc., it is not possible to predict what premiums will be for the First Year of Condominium operation. Purchasers should be aware of the possibility of rate increases. The above is for Illustration Purposes Only. There is NO COVERAGE BOUND AT THIS TIME. Coverages are subject to the terms and Conditions as set forth by the Insurance Company and at the time of the effectiveness of the coverages.

The Sponsor represents that it shall initially bind on behalf of the Condominium at the Condominium's expense, to be effective at the First Unit Closing, fire and casualty insurance in the amounts as set forth above. The policy will provide that each Unit Owner will be an additional insured and that there will be no cancelation without notice to the Board of Managers and the Unit Owners. In addition, the policy will contain a waiver of subrogation, a waiver because of the acts of the insured and Unit Owners and will waive a pro rata reduction if additional Unit Owners obtain coverage.

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner is included in the coverage provided above. Prospective purchasers will be required to obtain property insurance and general liability insurance as set forth in the By-Laws.

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

(12) Management Fee: $ 42,000

Based upon a proposed management agreement with Century Management Services Inc. ("Managing Agent") commencing on the date of the First Unit Closing, at an annual fee of $42,000.00 and payable in twelve (12) equal monthly installments of $3,500.00. The management agreement, which is for an initial term of one (1)

year, shall continue in force unless sooner terminated pursuant to its terms. Managing Agent is not affiliated with Sponsor or Sponsor's principal.

As the Managing Agent, Century Management Services, Inc. will receive management fees and may also receive other commissions or fees for performance of services rendered to the Board of Managers and Unit Owners.

In the opinion of Sponsor, the cost of management as estimated for the First Year of Condominium Operation is within the range of prevailing market rates for such services. If the Condominium is required to obtain management services from another managing agent, or if Century Management Services Inc., increases the fee in the second year of condominium operation, the annual Common Expenses of the Condominium would increase. Please consult the section of the Plan titled "Management Agreement" for a further discussion and details.

Management fee for the Commercial Unit will be allocated on the basis of their percentage interests (7.42%) in the Common Elements for management services during the First Year of Condominium Operation.

(13) Professional Fees: $ 19,000

Based on the following itemized projections:

Architect/Engineer:	$	2,000.00
Legal Expense:	$	3,000.00
Accounting Expense:	$	8,500.00
Other Prof. Fees:	$	5,500.00
Total	$	19,000.00

The estimate of Accounting Expenses is based upon a fee quotation of $8,500.00 provided by Paritz & Company, Certified Public Accountants, located at 15 Warren Street, Suite 25, Hackensack, New Jersey 07601.

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

The estimate of legal expenses is based upon 30 hours of consultation with an attorney to be retained by the. Board of Managers at an approximate rate of $280.00 per hour. Such consultation would include, but not be limited to, issues raised by the Board of Managers in connection with the operation of the Property. However, in

the event that legal services are required by the Condominium in excess of the first year estimate, then such services would be billed on an hourly rate or monthly retainer rate to be determined and negotiated by the Board of Managers with the attorney to be retained.

It is expected that the Commercial Unit will incur accounting and other prof fees and those expenses are estimated to be 6.49% of this expense category.

(14) Administrative Expenses: $ 36,000

Based on the following itemized projections:

Permit/Penalty:	$	6,000.00
Uniforms/Towels:	$	3,500.00
Dues and Subscriptions:	$	3,500.00
Delivery Postage Printing:	$	2,000.00
Telephone:	$	2,000.00
Cable/Internet for Common Areas:	$	12,000.00
Bank Charges:	$	300.00
Equipment/Supplies:	$	4,000.00
Other Admin Fees:	$	2,700.00
Total	$	36,000.00

It is expected that the Commercial Unit will incur administrative fees and those expenses are estimated to be 6.49% of this expense category.

(15) Reserve for Contingencies: $28,368

This amount is to cover possible increases in expenses not now foreseen and for expenses not now included in the budget. The budget may be modified from time to time prior to commencement of, or during, the First Year of Condominium Operation to increase items of expenses and decrease the contingency reserve.

Contingency Reserve was allocated based on 2.5% of residential and commercial common charge income

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New York, NY 10001 212.244.4271 f
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Ventrop
Engineering Consulting Group, PLLC

Via Electronic Transmission

January 19, 2021

Ms. Jingjun Zhou
Naftali Group
1700 Broadway, 16th Floor
New York, NY 10019

RE: Apartment Electric Costs at 1165 Madison Avenue, New York, NY 10028
Ventrop Project No.: 2019-586

Dear Ms. Zhou:

We have prepared estimated annual electric energy cost for lighting and operating the typical appliances located in each apartment.

The estimated average kWh per year per square foot and annual cost of electricity per square foot utilized by individual apartments are approximately 10.53/ kWh/ Square Foot/ Year and $2.11 per square foot, based on a projected Con Edison rate of $0.2 per kWh for 2021. The following table sets forth the estimated annual costs of electricity for typical Residential Units:

Marketing Unit	Description	Approx. Unit Square Footage	% of SF	H+C Loads (kWh/yr)	Total kWh/yr	Cost/Apt/yr	Cost/SF
3N	3BR	2,799	5.4%	20,964	29,747	$5,949	$2.13
3S	2BR	2,593	5.0%	19,421	27,613	$5,523	$2.13
DUPLEX	5BR	4,965	9.5%	37,186	52,183	$10,437	$2.10
4S	3BR	2,705	5.2%	20,260	28,773	$5,755	$2.13
5S	4BR	3,146	6.0%	23,563	33,341	$6,668	$2.12
7th Floor	6BR	5,370	10.3%	40,220	56,378	$11,276	$2.10

Marketing Unit	Description	Approx. Unit Square Footage	% of SF	H+C Loads (kWh/yr)	Total kWh/yr	Cost/Apt/yr	Cost/SF
8th Floor	6BR	5,370	10.3%	40,220	56,378	$11,276	$2.10
9th Floor	6BR	5,384	10.3%	40,324	56,524	$11,305	$2.10
PHA	5BR	4,476	8.6%	33,524	47,118	$9,424	$2.11
PHB	5BR	4,014	7.7%	30,064	42,333	$8,467	$2.11
PHC	7BR	6,841	13.1%	51,237	71,616	$14,323	$2.09
PHD	4BR	4,430	8.5%	33,179	46,642	$9,328	$2.11

If you would like to discuss this further, or have any questions, please do not hesitate to contact us at 212-244-5060.

Very truly yours,



Rahil Shah, PE
Director of Sustainability

Ventrop Engineering Consulting Group, PLLC

cc: Nick Raad – Ventrop
Hicham Haddad – Ventrop
Tetyana Lidakis – SLCE
Chih-I Lai – SLCE

Century Management Services, Inc.
440 Ninth Ave, Suite 1500
NEW YORK, NY 10001

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-(i)

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

Re: 1165 Madison Avenue Condominium
1165 Madison Avenue Condominium, New York, New York 10028

To Whom It May Concern:

This is with respect to the Offering Plan for the above-reference condominium to be located upon the premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein. We have been actively engaged in the management and sales of residential property for over 47 years. The company currently manages approximately 100 condominium and cooperative apartment buildings.

It is our opinion that the allocation of percentages of Common Interest allocated to the respective Units as set forth in Schedule A of the Plan of Condominium Organization are in compliance with the regulations issues pursuant to Real Property Law, Section 339-i.

The Sponsor has used the method described in subsection (iv) contained in Section 339-i(1)(iv) of the Real Property Law, and therefore the allocation of Common Interests is based upon floor space, subject to the location of such space and the additional factors of relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the common elements for exclusive or shared use, and the overall dimensions of the particular Unit.

This firm will not act as the selling agent of the property. We have no beneficial interest in the Sponsor and no interest in the profits of this new construction plan other than the fee for this service. We hereby authorize the use of our name and this letter in connection with the proposed plan of condominium operation.

Very Truly Yours,

By: _____
Name: Jacob Sirotkin
Title: Vice President

E. COMMERCIAL UNIT

The Commercial Units may be used for any legal purpose, provided such use is consistent with a high-end, luxury residential building in Manhattan, and further provided that certain uses are expressly prohibited, as more fully set forth below, including without limitation the following: pornography store, massage parlor, drug treatment facility or homeless shelter, so-called "discount" or "99 cent" store, a video arcade, betting parlor or other gambling related establishment, a nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, a bar serving liquor, or a restaurant, café or other use where the principal business is the preparation of food and/or drink. In no event shall any use of a Commercial Unit be permitted that results in the issuance of noise, smoke, grease, odors or fumes that creates a nuisance or unreasonably interferes with the peaceful possession or proper use of the Property by Unit Owners or the occupants of their respective Units, as shall be determined in the Board's sole discretion. The Commercial Unit Owners shall not be permitted to display any merchandise or place any signage, tables, benches or other form of outside seating anywhere on the sidewalks adjacent to the Building. The Board will have no right to restrict or limit any of the uses of the Commercial Units which are permitted by law and applicable zoning ordinances, except as otherwise set forth in the By-Laws and Declaration. No representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Units or with respect to who the owner(s) or tenant(s) of the Commercial Units may be at any time. As a result, in the future one or more of the Commercial Units may be used for non-retail purposes.

It is currently anticipated that the Commercial Units will initially be used for retail purposes (and ancillary uses), although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Units or with respect to who the owner(s) or tenant(s) of the Commercial Units may be at any time. As a result, one or more of the Commercial Units may be used for non-retail purposes.

No unlawful use may be made of the Property or any portion thereof and all valid Legal Requirements relating to any portion of the Property shall be complied with at the sole cost and expense of the applicable Unit Owner or the applicable Board, whichever party has the obligation to maintain or repair such part of the Property, as set forth in the Declaration or the By-Laws.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owners, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described in Schedule A – "Purchase Prices and Related Information" and Schedule B – "Projected Budget for First Year of Condominium Operation" of the Plan and Article 6 of the Condominium By-Laws. Such allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to the Commercial Unit Owners) or lower (if

greater services are being provided to the Commercial Unit Owners) shared expenses of the Condominium. As more fully set forth in the "Notes to Schedule B" above, each of the Commercial Unit Owners will therefore pay only allocated percentages of only certain expenses, which percentages may be less (or more) than their Common Interest. The allocated percentages represent a projection of the proportionate usage of the services and facilities in question by the Commercial Unit Owners, as estimated by Century Management Services, Inc., an independent expert retained by Sponsor. It is the opinion of Century Management Services, Inc., as more fully set forth in the Exhibit 8C in Part II, that the aforementioned Common Charges payable by each Commercial Unit Owner is sufficient to cover the expenses fairly attributable to such Unit Owner's Commercial Unit.

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owners will have the right with regard to its respective Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations, additions or improvements to its Unit compatible with the first class character and location of the Building (except that alterations, additions or improvements which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or the use and enjoyment of the Units and Common Elements for their permitted purposes, or that would increase insurance premiums or maintenance costs for any other Unit or the Common Elements, shall be subject to the approval, not to be unreasonably withheld, of the Condominium Board), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. A Commercial Unit Owner shall not make any alterations that affect the exterior of the Building without the consent of the Condominium Board, in its sole discretion. Signage for the Commercial Units shall be permitted only in those areas designated and in accordance with the specifications identified in the By-Laws, or as otherwise approved by the Condominium Board in its sole discretion. As more particularly provided in Article 10 of the Declaration, a Commercial Unit Owner will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Condominium Board to do so. If a Commercial Unit is subdivided or combined, the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Condominium Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

The owner of each Commercial Unit shall have the right to create additional Commercial Units consisting of portions of such Commercial Unit, each of which may have the rights and easements of the Commercial Unit. If such additional Commercial Units are created, the percentage interest in the Common Elements allocated to such Commercial Unit, together with all such additional Commercial Units, and the percentage interests of all other Units, will remain unchanged. Any obligations and rights of the landlord under any such lease or any other similar lease hereafter entered into by such Commercial Unit Owner(s) shall be the obligations and rights, respectively, solely of such Commercial Unit Owner(s) and not of the Condominium or any other Unit Owner. The Residential Unit Owners will not have any interest in the rents, profits or

revenues from the rental, use or sale of any such space pursuant to the aforementioned easements and rights.

The two Commercial Units are not being offered for sale hereunder as of the date of filing of this Plan; however, Sponsor reserves the right to amend the Plan to offer any or all of the Commercial Units. No representation or warranty is made as to who subsequent owner(s) or tenant(s) of a Commercial Unit may be at any time or the uses to which such Unit(s) may be put at any time in the future; and no income derived from any use of the Commercial Units will constitute income to the Board or Unit Owners. Sponsor reserves the right to seek a "no-action" letter from the New York State Department of Law to the effect that an offering plan and/or plan amendment is not applicable to, among other things, the initial submission of the Land and Building to condominium ownership and to the sale of the Commercial Unit. In such event, Sponsor may, prior to the First Closing, file a declaration in the City Register's Office constituting the Condominium as comprised of two condominium units (Commercial and Residential) and the Commercial Units may be sold to a third-party, but shall, prior to the First Closing, amend or amend and restate the Declaration (and By-Laws and Floor Plans) in accordance with the terms set forth in the Plan. Unless otherwise permitted via "no-action" letter by the Department of Law, Sponsor shall not utilize a "no-action" letter to further subdivide the Units in the Condominium. Sponsor will amend the Plan to disclose the issuance of a "no-action" letter, if any.

The Owner of Commercial Units shall at all times have the right to designate one Board member (even if Sponsor or its affiliate owns such Unit, and thus, in such event, Sponsor or its affiliate would be entitled to appoint, in the aggregate, four of the five members of the Board during the Sponsor Control Period).

PROHIBITED USES

1. Any use which emits an unreasonable odor, noise or sound which can be heard or smelled inside another Unit.

2. Any use which emits excessive dust or vapors outside of the Unit and into another Unit where such dust or vapors are being emitted;

3. A nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, or a bar serving liquor.

4. A restaurant, café or other use where the principal business is the preparation of food and/or drink

5. Any operation primarily used as a storage warehouse operation; provided, however, that ancillary storage uses necessary for the operation of the business in each Unit shall be permitted;

6. Any "second hand" store selling used goods or clothing;

7. Any so-called "discount" or "99 cent" store;

8. Any pawn shop;

9. Any incineration of garbage;

10. Any bankruptcy sale (unless pursuant to a court order) or auction house operation;

11. Any central laundry, dry cleaning plant or laundromat; provided, however, this prohibition shall not be applicable to supportive facilities for on-site services oriented to pickup and delivery by the ultimate consumer;

12. Any automobile, truck, trailer or recreational vehicles sales, leasing or display operation that displays more than four (4) vehicles on-site;

13. Any automobile repairs shop (mechanical or otherwise) or any business servicing motor vehicles, including, without limitation, any quick lube oil change services, tire centers, or any business storing or selling gasoline or diesel fuel at retail or wholesale;

14. Any veterinary hospital or animal raising facilities (except that this prohibition shall not prohibit pet shops or pet grooming businesses from operating in their customary manner);

15. Any mortuary or funeral home;

16. Any establishment selling paraphernalia relating to the use of illegal drugs other than as sold in national pharmacies;

17. Any car wash;

18. Any bowling alley, skating rink, pool hall, ballroom, dance hall or auditorium (other than an auditorium ancillary to the main use of a Unit and that are used principally for servicing Unit Owner's employees and invitees);

19. Any arcade or game room, unless such arcade or game room is located in the Building's cellar or is incidental to other business operations in the Building;

20. Any business or establishment including a fortune teller or palm reader;

21. Any manufacturing operation or facility;

22. Any commercial or non-profit establishment of an type or nature whatsoever: (a) the primary purpose of which is to sell, afford or permit on-premises sexual stimulation or sexual liaisons including a massage parlor; (b) which permits or presents obscene, nude or semi-nude performances or modeling; (e) which sells, affords or permits body massages, whether or not of a sexual nature other than in connection with a spa or salon or gym; (d) which sells "rubber goods" or other sexual or erotic products of a type not commonly found in high-quality, national chain pharmacies; (e) which sells, rents or permits the viewing of X rated video, photographs, books or other material; provided, however, that Unit Owners may use or case portions of their Units to (x) stores or newspaper or magazine vendors who may stock "adult" magazines or books as an incidental part of such store's or vendor's business (provided such "adult" magazines or books are discreetly displayed) and/or (y) cafes or store-fronts providing computer use or internet access (provided such services are not principally geared to providing

access to pornographic sites) and/or (z) stores or store-fronts offering relaxation or stress-reduction services not requiring the removal of articles of clothing (other than shoes and outerwear);

23. Any gambling facility or operation; provided, however, that Unit Owners may use or lease portions of their Units to stores or newspaper or magazine vendors who may sell "lotto " or other governmentally sponsored lottery type tickets to the general public;

24. Any training facility for the general public (as opposed to on-site training of employees), including any beauty schools, barber colleges, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided, however, that a Unit Owner may use or lease a portion of its Unit for such purposes if such facility(ies), together with the floor area used or leased by such Unit Owner for office uses, occupy(ies) in the aggregate not more than fifteen percent (15%) of the Floor Area of such Unit;

25. Any welfare or homeless shelter, soup kitchen, food pantry or settlement house;

26. Any office, store, reading room, headquarters, center or other facility whose principal purpose is the promotion, advancement, representation, or opposing of (a) any political party, political movement or political candidate, (b) any religion, religious group or religious denomination, or (c) foreign government;

27. Any check cashing facility, other than a bank;

28. Any use whereby the proposed Unit Owner (excluding a tenant thereof), or the principal thereof, is entitled to diplomatic immunity;

29. Any tanning, exercise or racquet club, gymnasium or other sports or recreational facility (except those that are ancillary to the main use of a Unit and that are used principally for servicing Unit Owner's employees and invitees, or that involve low impact activities such as yoga, Pilates, tai chi or similar);

30. Any government offices used as service centers requiring the public to appear, including, without limitation, welfare, motor vehicle, unemployment offices or courts;

31. Any drug or alcohol rehabilitation center or clinic or facility for the treatment of any form of addiction or psychological or psychiatric disorders;

32. Any facility housing or treating criminal persons; or

33. Any gun store or firing range.

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F. CHANGES IN PRICES, RESIDENTIAL UNITS AND STORAGE BIN LICENSES

The Purchase Prices set forth in Schedule A and other terms of payment (but not other terms of sale) with respect to a particular Residential Unit or Storage Bin License are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Residential Unit Owner or mortgagee. However, no such change with respect to any Residential Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder, and no Agreement will be modified to waive any of the Purchaser's rights or abrogating any of Sponsor's obligations, under this Plan or Article 23-A of the New York General Business Law.

The Plan will be amended to disclose: (a) any increase (but not any decrease) in the Purchase Price of an offered Residential Unit or Storage Bin License; (b) any changes in either Purchase Prices (whether increases or decreases) or other financial terms of sale that are across-the-board changes affecting one or more lines or types of Residential Units (and/or Storage Bin Licenses); or (c) any changes in either Purchase Prices or other financial terms of sale that are to be advertised. Other than the changes described in (a) through (c) above, Purchase Prices and other terms of sale of one or more Residential Units (and/or Storage Bin Licenses) which are not subject to executed Agreements may be changed without either notice or amendment of the Plan.

If Sponsor changes the Purchase Price of a Residential Unit or a Storage Bin Licenses, the Purchaser affected thereby may pay more or less than other Purchasers under the Plan for similar Residential Units or Storage Bin Licenses, respectively, but this will not affect any prior or subsequent sales, nor will the Common Interest of any Residential Unit be altered as a result of a price change for such Residential Unit.

In order to meet the possible varying demand for number and type of different Residential Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Residential Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit and/or the Common Elements; (ii) change, from time to time, the layout of, or number of rooms in, any Unsold Residential Unit and/or the Common Elements; (iii) change the size and/or number of Unsold Residential Units and/or the Common Elements by subdividing one or more such Residential Units into two or more separate Residential Units, combining separate Unsold Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Residential Units, altering any boundary walls between any Unsold Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required by Legal Requirements to be maintained as Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Residential Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit or Common Element; (v) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however,

that after the recording of the Declaration, no change in any Residential Unit's Common Interest will be made without obtaining the prior consent of all Residential Unit Owners affected by such change; (vi) change the permitted use of some or all of the Unsold Residential Units; and (vii) amend (and/or cause the Board to amend) the Declaration, By-Laws and/or the Floor Plans, and to execute and file any other documentation, to reflect any of the foregoing.

Any change in the size or number of Residential Units and/or their respective Common Interest, including any such change described in subsections (ii) through (iv) in the immediately preceding paragraph and additionally any material change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan.

As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Condominium Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units.

Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform materially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Unit of five percent (5%) or less, or Unit size that is diminished by five percent (5%) or less, is not material.

Twelve Storage Bin Licenses are initially being offered hereunder. Sponsor reserves the right to change the number and size of the Storage Bins by, among other things, subdividing, combining, relocating and reconfiguring the Storage Bins, and in connection with such subdivision, combination, relocation and reconfiguration, redesignate in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin Space for another use or as Unit space. Sponsor expressly reserves the right, from time to time, to effect such changes and

to amend the Plan so as to reflect the same.

In the event there is a reduction in square footage of a Storage Bin in excess of five percent (5%), and such Storage Bin is then under contract to be licensed to a Purchaser and Sponsor does not substitute the Storage Bin (pursuant to Sponsor's right to substitute Storage Bins as set forth in Special Risk #33), Sponsor shall offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to terminate the Storage Bin Rider. There is a rebuttable presumption that a Storage Bin size that is diminished by five percent (5%) or less is not material.

Notwithstanding anything to the contrary herein, if a Purchaser with a fully executed Storage Bin Rider is entitled to a right of rescission pursuant to the terms of this Plan due to any material and adverse change with respect to the Storage Bin License or the Storage Bin which is the subject thereof, any such right of rescission shall be limited solely to the Storage Bin Rider which has been affected thereby, and if such Purchaser elects rescission with respect to the Storage Bin Rider, the remainder of the Agreement shall continue in full force and effect. In the event a Purchaser elects to rescind the Storage Bin Rider, but the remainder of the Agreement remains in full force and effect, such Purchaser shall be refunded that portion of the Deposit, if any, and to the extent set forth in the Storage Bin Rider, attributable to the Storage Bin License(s) for which the agreement is being rescinded, and the Purchase Price shall be reduced by the amount of the Purchase Price for the Storage Bin License(s), if any, and to the extent set forth in the Storage Bin Rider, for such Storage Bin License for which the agreement was rescinded.

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G. INTERIM LEASE AGREEMENTS

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Residential Unit, to rent or lease, rather than sell, such Residential Unit to Purchasers and others after the Plan has been consummated. As a result, a Purchaser of a Residential Unit may be acquiring a Residential Unit that has been previously occupied or used, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Residential Unit is fully executed and for so long as the Agreement is in effect, such Residential Unit may only be leased to its Purchaser (unless such Purchaser agrees otherwise). No Purchaser shall have the right to occupy any Residential Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim lease or other written rental agreement.

If an Unsold Residential Unit is rented prior to the First Closing such Unit will be rented pursuant to the terms of an interim lease agreement with the Purchaser or Purchasers for which the Unit is then under contract. Interim leases will not be subject to the New York City Rent Law (rent control), the Emergency Tenant Protection Act of 1974, the New York City Rent Stabilization Law, the New York City Rent Stabilization Code, any rent regulatory scheme or code, rule or regulation promulgated under any of the foregoing, or any other rental protection laws.

If Sponsor agrees to lease a vacant Residential Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the tenant; provided, however, that in the case of an interim lease to a Purchaser, such lease will provide that an uncured default by the Purchaser under the Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease, whereupon the lessee must vacate the Residential Unit with 10 days thereafter. The Agreement will contain a similar provision entitling Sponsor to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's lease, if any, within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Residential Unit.

No portion of the rent paid under any lease will be credited towards the Purchase Price of a Residential Unit unless the lease and the Agreement therefor expressly so provide.

Purchasers who are presently in occupancy of a Residential Unit or who otherwise take possession of a Residential Unit prior to Closing shall be responsible for maintaining property insurance with respect to the Purchaser's personal property, personal liability insurance and hazard insurance throughout the term of such occupancy, in amounts reasonably acceptable to Sponsor, and naming each of Sponsor and the Condominium as an additional insured.

In addition, if Purchaser has or is given possession of the Residential Unit prior to the closing of such Unit, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Residential Unit resulting from Purchaser's use or occupancy, and Sponsor

shall not be obligated to make any repairs to the Residential Unit or its installations. However, until such closing, Sponsor will remain responsible to make those repairs required of it as landlord under any existing lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Declaration and By-Laws. If during Purchaser's occupancy prior to such closing, the Residential Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss not covered by insurance carried by Sponsor with respect to the Unit as Owner of the Unit, and the obligation to repair the damage, unless the cause thereof originated outside the Residential Unit and did not result from the acts or omissions of Purchaser or other occupants of the Residential Unit or Purchaser's guests, invitees, agents or workers. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the Purchase Price and accepting delivery of the deed.

In the event of an amendment to the Plan that discloses a material adverse change to the Plan and offers the Purchaser a right to rescind, if a Purchaser who is a tenant under an interim lease duly elects to rescind, Purchaser's Deposit hereunder will be returned subject to the terms of the Plan and the interim lease made with such Purchaser shall be cancelled and possession of the Residential Unit must be surrendered within 30 days thereafter, TIME BEING OF THE ESSENCE, free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 30-day period or of damage caused by Purchaser to the Residential Unit. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Residential Unit (such as Common Charges, real estate taxes and the allocable portion, based on such Residential Unit's Common Interest, of debt service on any loan covering the Unsold Residential Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Residential Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

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H. PROCEDURE TO PURCHASE

1. Execution of Documents

Any party desiring to purchase a Residential Unit will be required to execute four original counterparts of an Agreement, in the form set forth as Exhibit 1 in Part II of the Plan, for each such Residential Unit desired. A Purchaser may obtain the Plan upon payment of a $200 deposit, which amount will be fully refunded in the event Sponsor enters into a counter-executed Agreement with Purchaser, or if Purchaser otherwise promptly returns the Plan in good condition to Sponsor's Counsel. The Agreement sets forth in detail the terms of sale with respect to the Residential Units offered hereunder and should be read carefully by each prospective Purchaser. In the event of any conflict or ambiguity between the Plan and the Agreement, the provisions of the Plan shall control.

No signed Agreement will be accepted from a prospective Purchaser for three business days following such Purchaser's receipt of a copy of the Plan, including all amendments thereto. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

A Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, the following: three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for Residential United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law (the forms currently required by law are reproduced as Exhibits 1A and 1B in Part II of this Plan); and an option payment as set forth below.

Agreements will not be binding on Sponsor until approved and executed by Sponsor. Sponsor will have 30 days after delivery by the Purchaser of an executed Agreement, together with the amounts and other items described above within which to accept or reject such Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law. Each Purchaser shall and shall in all events be deemed to represent and warrant that the Deposit and all sums deposited by Purchaser pursuant to the Agreement are such Purchaser's own funds and that no other party has any right thereto. If an Agreement is not accepted by Sponsor within such 30-day period, the Agreement shall be deemed to have been rejected and cancelled and all sums deposited by such prospective Purchaser in connection therewith shall be promptly returned, together with any accrued interest. Sponsor reserves the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on race, creed, color, age, gender, sexual orientation, disability, marital status, national origin, ancestry, or any other ground proscribed by law, and to refuse to execute an Agreement for any Residential Unit,

or an Agreement or Agreements, as the case may be, for more than one Residential Unit to any one person or entity.

2. Deposits/Escrow

(a) General

As set forth above, a prospective Purchaser shall deliver to Selling Agent, together with the four signed original counterparts of the completed Agreement, an option payment (any of the following amounts, the "Initial Deposit") in an amount equal to: (a) 15% of the Purchase Price; or (b) 50% of the Purchase Price if the Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity). A prospective Purchaser who, in accordance with the previous sentence, was only required to make an Initial Deposit equal to 15% of the Purchase Price will be required to make, in addition to the Initial Deposit, an additional payment equal to 5% of the Purchase Price of such Purchaser's Residential Unit (the "Additional Deposit") due and payable no later than the earlier to occur of: (a) that date which is six months after the date of the Agreement; or (b) 30 days after Sponsor serves Purchaser with written notice of acceptance by the New York State Department of Law of an amendment which declares the Plan to be effective, but in no event later that the Closing. If an amendment declaring the Plan to be effective has been accepted by the Department of Law as of the date on which the Initial Deposit is due, then any Additional Deposit shall be due and payable at the same time as the Initial Deposit. No Additional Deposit shall be required if the Purchaser is a foreign government or other person or entity referenced in (b) of the first sentence of this paragraph and who or which has made a 50% Initial Deposit as described above. The term "Deposit", as used in this Plan, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit, as well as a deposit in connection with the purchase of a Storage Bin License. The deposit for the purchase of a Storage Bin License is 15% of the purchase price of such Storage Bin License (or 50% in the event that Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity)), which is due in full at the time of execution of the applicable rider to the Agreement. All such payments shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Holland & Knight LLP, as escrow agent." All such checks shall be subject to collection and if any such check is returned for insufficient funds or for any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited. At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor

With respect to any check or other instrument that is dishonored or fails on collection, the Escrow Agent is authorized to deliver to Sponsor the dishonored or uncollected instrument and Sponsor will have the choice of remedies set forth in the Plan and in the Agreement with respect to an Event of Default (which includes suing on such dishonored or uncollected instrument or (at Sponsor's option) canceling the Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default). Notwithstanding the foregoing, Purchasers are advised that, in the event any check or other instrument with respect to

the Initial Deposit is dishonored or fails on collection, and Purchaser cures within any afforded grace period, Purchaser shall not be afforded a grace period with respect to payment of the Additional Deposit.

All Deposits or advances received by Sponsor will be held in escrow by Escrow Agent (as defined below) and placed in an Escrow Account (as hereinafter defined) in conformity with the procedure set forth herein. Sponsor will comply with the escrow and trust fund requirements of New York General Business Law Sections 352-e(2-b), 352-h and the provisions of New York Lien Law Section 71-a(3), as applicable.

(b) The Escrow Agent

The law firm of Holland & Knight LLP, with an address at 31 West 52nd Street, New York, New York 10019, telephone number 212-513-3308, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Stuart M. Saft, Renee I. Covitt, Laura M. Sugarman, Rita Dattola, Joshua Berengarten, Neil N. Beaton, Richard A. Crowley, Martin P. Miner, Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(c) The Escrow Account

The Escrow Agent has established the escrow account at JP Morgan Chase, 242 Park Avenue, New York, New York 10019 (the "Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "1165 Madison Avenue Condominium Escrow Account" or similar name (each the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any Deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the FDIC's maximum coverage.

Any deposits or payments made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of a written agreement between Purchaser and Sponsor. In the event the Plan is abandoned by Sponsor, Sponsor will return to the applicable Purchaser all undisbursed monies, including interest, if any, for upgrades, extras, or custom work.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of December 1, 2020, such rate was 0.10%. The actual initial interest rate for the Escrow Account with respect to any particular Purchaser's Deposit shall be set forth

in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for any particular Purchaser, from time to time. Interest, if any, shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number), or other appropriate Form W-8, as applicable, in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9, Form W-8BEN, or other appropriate Form W-8, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9, Form W-8BEN, or other appropriate Form W-8 as applicable, has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on a Purchaser's Deposit shall be paid to or credited to the Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Before Deposits are transferred into an Escrow Account at a different Bank, or if the Escrow Agent is replaced, the Plan will be amended to provide the same full disclosure as set forth in this Section K "Procedure to Purchase" with respect to Escrow Account at a different Bank, the new Escrow Agent and the updated Escrow Agreement.

(d) The Agreement

The Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in a Rider to the Agreement, which must be executed by the Escrow Agent. Purchaser and Sponsor must also each execute such Rider which when fully executed shall constitute a tri-party agreement related to the Deposit. The Agreement and Plan may not contain, or be modified to contain, a provision waiving a Purchaser's rights or abrogating Sponsor's obligations under article 23-A of the General Business Law.

(e) Notification to Purchaser

Within five business days after the Agreement, countersigned by Sponsor, has been "tendered" (as defined below) to Escrow Agent along with the Deposit, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Within 10 business days of placing the Deposit in the Escrow Account, Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice

confirming such Deposit may timely be sent to Purchaser.

Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within 15 business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within 90 days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(f) Release of Funds

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

Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an amendment following the First Closing by the New York State Department of Law. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Agreement upon closing of title to the Residential Unit; or

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

(c) by a final decision by JAMS. See Dispute Resolution.

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

Sponsor shall not object to the release of the Deposit to:

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

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

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

(g) Waiver Void

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

(h) Other

Sponsor or Escrow Agent will submit a Form 1099-INT to the Internal Revenue Service reporting interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of its Agreement or the Plan. Before funds are transferred to a new Escrow Account, or if the Escrow Agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the applicable escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the Escrow Account only after the Attorney General approves in writing the use of such alternate form of security.

Sponsor has agreed to indemnify and hold Escrow Agent harmless from any and all losses, damages, claims, liabilities, judgments and other costs and expenses which may be claimed against or incurred by Escrow Agent by reason of its acceptance of, and/or its performance under, the escrow agreement and/or Agreement (other than those ultimately determined to have arisen out of the willful misconduct or gross negligence of Escrow Agent), including, without limitation, reasonable attorneys' fees either paid to retained attorneys or amounts representing the fair value of legal services rendered to itself.

Escrow Agent will maintain all records concerning the Escrow for seven years after the release of funds. In the event of a dissolution of Escrow Agent, the former partners or members of the law firm serving as Escrow Agent shall make appropriate arrangements for the maintenance of the aforementioned records, whether by such former partner or member or by the successor firm, and shall notify the Department of Law of such transfer.

A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and in the Agreement Escrow Agent shall acknowledge its fiduciary and statutory obligations, in each case, to the extent applicable under GBL §§ 352(e)(2-b) and 352(h).

Purchasers are advised that Escrow Agent is also acting as counsel to Sponsor; and

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

3. Date of the First Closing; Closing Notices

The currently projected First Year of Condominium Operation set forth in Schedule B – "Projected Budget for First Year of Condominium Operation" (set forth in Part I of the Plan), projects that the First Year of Condominium Operation will be July 1, 2023 through June 30, 2024. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections therefor, and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then in either case Sponsor will offer all affected Purchasers (other than Purchasers who are then in default under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing 25% budget increase threshold. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective. At the closing of each Residential Unit, its respective Purchaser shall be required to execute and deliver a power of attorney to the Board and to Sponsor substantially in the form set forth as Exhibit 2 in Part II hereof. Failure by any Purchaser to deliver an power of attorney at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

4. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligation under his or her Agreement, TIME BEING OF THE ESSENCE, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Agreement and, once the Plan has been consummated, retain as liquidated damages the Deposit made by the Purchaser, together with all interest earned thereon, it being acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Residential Unit and other expenses that may be incurred, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. In such case, all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate and Purchaser shall have no further liability to Sponsor in respect of the

Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Deposit being held in escrow. See "Deposits/Escrow" above within this Section of the Plan for further discussion.

Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) the closing apportionments to be made at the closing will be made as of midnight of the day preceding the originally scheduled closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

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

5. Risk of Loss

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser, but with respect to Purchaser, only to the extent not covered by insurance carried by Sponsor with respect to the Unit as Owner of the Unit) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser within 60 days of such casualty of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit

against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing within such 60 day period that it does not elect to repair or restore the Residential Unit, or if the Residential Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Residential Unit Owners and the Board of Managers" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

6. No Financing Contingency

A Purchaser may obtain financing from any lending institution or other source, but the obligations of a Purchaser under an Agreement are not conditioned on obtaining financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Any prospective Purchaser who executes an Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Agreement. No representation is made by Sponsor or Selling Agent as to the terms, availability or cost of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment.

7. Transfer (and Mansion) Taxes

Notwithstanding the fact that the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax are, by law the primary obligation of the seller, such obligation is transferred to Purchasers pursuant to the Plan (as is customary in condominium offerings) to pay such taxes at the closing of title to their Unit(s). For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. As of the filing date of this Plan, for Purchasers whose closings will occur on or after July 1, 2019 and whose Agreements were entered into after April 1, 2019, for the purchase of a single Residential Unit, the New York City Real Property Transfer Tax ("NYC RPTT") is 1% of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax ("NYS RETT") is presently $2 for each $500 (or fractional part thereof) of the consideration paid for a Unit, and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Unit if the consideration for such Unit is $3,000,000 or more. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Section

1402-a of the New York State Tax Law, currently 1% of the total consideration paid when such consideration is $1,000,000 or more, and the New York State Supplemental Tax pursuant to Section 1402-b of the New York State Tax Law if the total consideration for such Unit is $2,000,000 or more (collectively, the New York State Additional Tax and the New York State Supplemental Tax being referred to herein as the "Mansion Tax"), which tax by law is the primary obligation of the Purchaser. The chart below sets forth the rate of Mansion Tax based on the consideration paid for a residential unit. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments.

Consideration amount	**NYS Mansion Tax Rate (which represents an aggregate of the New York State Additional Tax and New York State Supplemental Tax)**
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%
More than $25 million	3.9%

In addition to transfer taxes and the Mansion Tax, Purchasers shall also be obligated to pay at closing any tax relating to the purchase or sale of real estate or similar interests on the transfer of a Residential Unit enacted after the filing date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as may be amended, may be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers

are further advised to consult with their attorney or a tax expert regarding the transfer or mansion taxes or other costs which may be payable in connection with closing of title.

The purchase price, transfer taxes and any other consideration paid for a Residential Unit will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at the total consideration for transfer tax and Mansion Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

Under the New York City Department of Finance's current policies, where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the higher New York City Real Property Transfer Tax non-residential rates will apply, i.e., where the consideration is $500,000 or less, the rate would be 1.425% and where the consideration is in excess of $500,000, the rate would be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. Thus, in connection with a bulk sale or otherwise, it is possible that a Purchaser could be required to pay the higher non-residential rate for purposes of the New York City Real Property Transfer tax and also pay the Mansion Tax. Sponsor makes no representation as to which transfer tax rates will apply at the time of closing of a particular Residential Unit.

8. Foreign Missions; Required Notification and Waiver of Diplomatic or Sovereign Immunity

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

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

amount equal to two (2) years' estimated Common Charges.

9. Exemption from Interstate Land Sales Full Disclosure Act

The Interstate Land Sales Full Disclosure Act 15. U.S.C. §§ et seq. ("ILSA") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. ILSA requires sellers of lots in certain subdivisions to file a statement of record (the "Statement of Record") and property report (the "Property Report") with CFPB and provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the project or sale is exempt from this filing requirement. On September 26, 2014, President Obama signed into law a bill amending ILSA to exempt sponsors of new construction condominium projects from the obligation to file a Statement of Record and Property Report. The law took effect on March 25, 2015. Accordingly, the registration and filing requirements of ILSA are not applicable to the Condominium as the Condominium is exempt from same. Thus, Purchasers will receive the Plan only, without copies of a Statement of Record and Property Report, and will not have the rights afforded purchasers of units in non-exempt projects pursuant to ILSA.

10. Title Company Reporting

On January 13, 2016, the U.S. Financial Crimes Enforcement Network ("FinCEN") issued an order (as supplemented, the "Order") requiring title companies to collect and report certain information about persons involved in residential real estate transactions in New York City for closings occurring until the expiration of the effective period of such Order. Pursuant to the Order, title companies are required to disclose the identities of the beneficial owner(s) or holder(s) of twenty five percent (25%) or more of the direct or indirect equity or beneficial interests in a purchasing entity in residential real estate transactions where: (a) Purchaser is a legal entity as defined in the Order; (b) the total Purchase Price is in excess of $300,000; (c) Purchaser does not obtain external financing; and (d) the Deposit or Balance is made, at least in part, using currency, a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, virtual currency or a funds transfer. Purchasers and their attorneys should confer with the purchaser's title insurance company immediately to determine the applicability of these new requirements to this transaction and, to the extent the same are applicable, make arrangements with the title company to provide it in advance of closing with any necessary information in order to permit the title company to insure title and comply with the title company's closing and reporting requirements under the Order. Sponsor shall have no obligation whatsoever in connection with satisfying any requirements of purchaser's title insurer or otherwise with respect to the FinCEN Order; and Purchaser will be fully liable for any additional costs or delays to Closing relating thereto. As of the initial filing date of this Plan, as used herein, "legal entity" is defined in the Order as including United States or foreign corporations, limited liability companies, partnerships or other similar business entities, other than a business whose common stock or analogous equity interest are listed on a securities exchange regulated by the Securities Exchange Commission ("SEC") or a self-regulatory organization registered with the SEC, or an entity solely owned by such a business.

11. Notice of Effectiveness

After the Plan has been declared effective, Sponsor will from time to time set the date for closing for all Residential Units as to which Agreements have been executed by serving 30 days written notice to said purchaser(s) of said closing. Sponsor, in its sole discretion, may permit Purchasers to waive said 30 day notice.

12. Dispute Resolution.

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

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

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

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

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

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

13. Statute of Limitations.

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

14. Delivery of Closing Documents.

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

15. Title Indemnity.

Purchaser shall provide to Sponsor, at least five (5) business days prior to Closing, an Indemnity Agreement substantially in the form annexed to the Purchase Agreement as Exhibit A or in such other form as may be acceptable to Sponsor (the "Title Agreement"), in its sole

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

In the event the Title Agreement is not delivered as set forth above, (x) Purchaser will indemnify the Sponsor, its counsel, agents and others for loss, damages, penalties, fines and the like (including attorneys' fees) in the event Purchaser's title underwriter (or such title underwriter's affiliated abstract company) fails to file such Unit Deed and transfer tax forms and remit payment of the required transfer taxes in connection therewith in a timely manner in accordance with Law and the requirements of any governmental or quasi-governmental agency; and pay any such taxes, fines or penalties assessed or charged by any governmental or quasi-governmental agency. This provision is applicable even if Purchaser elects to use First American Title Insurance Company. See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement in Part II of the Plan.

I. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9 Forms W-8BEN, or other appropriate Form W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Holland & Knight LLP" (for services rendered in connection with the assignment), not less than 10 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing such Unit(s) for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale or lease, as well as the prohibition against selling or leasing the Unit for one year from the date of closing of title, shall remain in effect.

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

In connection with any assignment of Agreement otherwise permitted pursuant to the above terms, Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age disability, material status or other grounds prohibited by law.

J. EFFECTIVE DATE

The offering by Sponsor of the Residential Units offered hereunder is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods set forth in the Plan.

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not fewer than two Residential Units, representing 15% of the Residential Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at least ten Residential Units representing 80% or more of such Residential Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) subject to the immediately preceding clause "(i)", signed by a Purchaser not afforded the three business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as may otherwise be limited by this Section of the Plan, all 15 Residential Units shall be counted toward declaring the Plan effective.

The Plan will be declared effective either: (i) an amendment to the Plan; or (ii) mailing or delivering personally to each Offeree a written notice to such effect, in which event Sponsor will submit an amendment to the Plan to the Department of Law confirming that the Plan was declared effective on a specified date within five days after such mailing or delivery. The First Closing will not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, Sponsor will re-declare the Plan effective if <u>all</u> Agreements are either rescinded or terminated prior to the First Closing, regardless of whether the Declaration has been recorded.

The Plan may be withdrawn or abandoned by Sponsor, at its option, for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, it may not be abandoned or withdrawn, except that prior to the First Closing, the Plan may be abandoned at the option of Sponsor in the event of: (i) the existence of one or more defects in title (including violations of record or work orders of an insurance carrier) affecting any one or more Residential Units and/or the Common Elements which cannot be cured, removed or complied with except either through litigation or through the expenditure of more than one-half of one percent of the total initial offering hereunder in the aggregate (as such expenditure is estimated by Sponsor); (ii) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty which cannot be cured or repaired for an amount which is less than one-half of one percent of the total initial offering hereunder in the aggregate (as such expenditure is estimated

by Sponsor); or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. In calculating the costs referred to in clauses (i) and (ii) above, any defects in title (including violations or work orders) that existed on the date the Residential Units were initially offered for sale under the Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

In the event of a withdrawal or abandonment of the Plan, Sponsor will promptly submit an amendment to the Department of Law to such effect, together with such forms as may be required by law. Purchasers will be notified in writing of a withdrawal or abandonment of the Plan. All Deposits, together with any interest earned thereon, will be returned to Purchasers within twenty days following the acceptance of filing by the Department of Law of such withdrawal or abandonment amendment, except that after the Plan has been declared effective, Sponsor may retain the Deposit, together with interest earned thereon, of any Purchaser who is then in default under his or her Agreement beyond the applicable grace period or whose Agreement has been cancelled due to such Purchaser's default, provided, however, that any requisite notice has been given to the Purchaser. Upon the return or retention of the Deposit, together with interest earned thereon, the Agreement pursuant to which such Deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Agreement.

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K. TERMS OF SALE

1. Prerequisites to Closing of Title

The terms "closing" or "closing of title" as used in this Plan refer to Sponsor's conveyance of title to a Unit to a Purchaser by the delivery of a deed, upon payment by the Purchaser to Sponsor of the balance of the Purchase Price for such Unit. The closing of title to each Unit shall take place only after or concurrently with the satisfaction of the following prerequisites:

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

(b) a temporary or permanent certificate of occupancy for the Unit is in effect;

(c) the Declaration, By-Laws, Floor Plans and such other documents as may be required by law have been filed or recorded, as the case may be, or have been submitted to Sponsor's title insurance company for filing or recording;

(d) at least 30 days' prior written notice of the initial time and place of the closing of title has been given to the Purchaser (unless a Purchaser chooses to waive such 30 day notice);

(e) the Purchaser or Purchaser's designee has been given an opportunity to examine the Unit within the week prior to the closing; and

(f) the Unit and its appurtenant interest in the Common Elements have been released from the lien of all mortgages encumbering the Property.

2. Closing of Title; Payment of Balance of Purchase Price

At the closing of title to each Unit, Sponsor shall execute and deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts, substantially in the form of the Unit Deed set forth as Exhibit 3 in Part II of the Plan, conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances, provided that such additional state of facts does not render title unmarketable. The Purchaser shall also sign the Unit Deed.

Each Unit offered hereby and the fixtures and personal property contained therein, are being sold and delivered "AS IS," as described in the Plan at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Specifications"), unless Sponsor and the Purchaser of such Unit otherwise agree in writing. Notwithstanding the foregoing, Sponsor shall remain obligated to construct the Building in accordance with all applicable code and the Plans and Specifications. Personal property owned by Sponsor that is located within a Residential Unit at the time of signing of an Agreement, or that is located in the Residential Common Elements at the time of recording of the Declaration, shall be included in the conveyance as part of the Residential Unit or as part of the Residential Common Elements, respectively, unless expressly

stated otherwise in the Plan.

Simultaneously with the delivery of the Unit Deed, the Purchaser shall pay the balance of the Purchase Price and the closing apportionments and costs described in the Section entitled "Unit Closing Costs and Adjustments" in Part I below. Payments shall be by official bank or cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor notifies the Purchaser prior to the closing. Purchasers are advised that uncertified attorney escrow checks and other non-conforming checks may not be accepted by Sponsor. Any delay in closing occasioned by the presentation of such checks shall be deemed to have been caused by Purchaser and may, at the option of Sponsor, constitute a default under the Agreement and/or give rise to additional costs or expenses to be borne by Purchaser. At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor.

3. Tax Returns and Power of Attorney

Each Purchaser will also be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan as Exhibit 2 in favor of: (a) the persons who shall from time to time constitute the Condominium Board designating the Condominium Board as the Purchaser's attorney-in-fact, for the purpose of, among other things, acquiring or leasing in the name of the Condominium Board or its designee on behalf of all Unit Owners, any Unit, together with its appurtenant Common Interest, and to otherwise deal with the Condominium and the Common Elements, all in accordance with the provisions of the Declaration and the By-Laws; after any such acquisition or lease, to convey, sell, lease, mortgage or otherwise deal with any such Unit so acquired or leased and to otherwise deal with the Condominium, as the case may be, all in accordance with the provisions of the Declaration and By-Laws; and to execute, acknowledge, deliver and (if determined to be necessary or desirable) cause to be recorded in the City Register's Office any declaration, consent, covenant, restriction, easement or other instrument affecting the Condominium or the Common Elements which the Board deems necessary or appropriate; (b) Declarant, for the purpose of amending the Declaration and effectuating the rights granted to Declarant and/or the Commercial Unit Owners under the Declaration and By-Laws, and consenting on behalf of each Unit Owner, as a party in interest to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located for the purpose of transferring to or from Declarant, or its successor or assigns, all or any portion of the Development Rights; and (c) Sponsor, for the purpose of executing an amendment to any of the Condominium Documents or acquiring any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Sponsor or obtaining an amended certificate of occupancy therefor. Failure by any Purchaser to deliver such documents at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

4. Risk of Loss

The risk of loss to any Unit by fire or other casualty until the closing of title to such

Unit (or an earlier taking of possession by the Purchaser, but with respect to Purchaser, only to the extent not covered by insurance carried by Sponsor with respect to the Unit as Owner of the Unit) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice within 60 days of such casualty to the Purchaser of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing within such 60 day period that it does not elect to repair or restore the Unit, or if the Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

5. Tax-Deferred Exchanges

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

6. Prohibition Against Advertising and Resale

Purchasers are prohibited from selling or leasing their Unit, listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease prior to the closing of such Unit. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Additionally, Purchasers are prohibited from selling or leasing their Unit or listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease for a period of 12 months after the closing of the Unit. Any such sale or lease or listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives in violation of the foregoing sentence shall entitle Sponsor to all remedies available at law or in equity.

7. Existing Mortgages and Construction Loans

Sponsor has obtained a construction loan encumbering the Property from Bank Hapoalim B.M. (the "Construction Loan"), having an address at 1120 Avenue of the Americas, New York, NY 10036. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Purchasers are advised that should the Construction Lender assume Sponsor's obligations hereunder pursuant to the Construction Loan, such event shall not be deemed material and adverse and will not give rise to a right of rescission.

8. Permitted Encumbrances

A list of the Permitted Encumbrances, as of the date of acceptance for filing of the Plan, is included at the end of this Section. With respect to covenants, conditions, easements, leases, agreements of record, etc., these include, without limitation, the below, for which Sponsor has provided a brief description. With respect to the meaning and application of any particular Permitted Encumbrance, Purchasers are strongly encouraged to consult with their attorney.

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and to Sponsor, and the Floor Plans, all as may be amended from time to time.

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

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, connections and other equipment and facilities on, under and across the Property.

6. 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.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

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

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

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

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

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Taxes and any applicable tax liens, restored tax deferrals and abatements, in rem actions, tax sales, assessments, water rates and sewer usage charges.

19. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure upon another Unit or Units or upon the Common Elements may remain undisturbed as long as the same shall stand.

21. Covenants, conditions, easements, leases, agreements of record, etc., including, without limitation, the following:

(a) Window Agreement made by Fifty East Eighty-Sixth Street Corporation dated 7/19/1939 and recorded 7/20/1939 in Liber 4018 of Deeds, Page 315. (Affects Lot 52).

(b) Easement Agreement (for encroaching walls) made by and between 1155 Madison Corp. and 86th and Madison, Inc. dated 3/26/1959 and recorded 4/20/1959 in Liber 5074 of Deeds, page 101. (Affects Lot 52).

(c) For Information Only:

A) Zoning Lot Certification made by Royal Abstract of New York LLC dated 8/10/2020 and recorded 9/15/2020 as CRFN 2020000258817.

B) Zoning Lot Description and Ownership Statement dated 9/2/2020 and recorded 9/15/2020 as CRFN 2020000258818.

(c) Sidewalk Notice(s):

No. 9955 Filed 12/13/1976 (Affects Base Lot 52)
No. 77027 Filed 5/17/2000 (Affects Base Lot 53)

L. UNIT CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to the Purchaser's own legal fees, the Purchaser will pay the following closing costs at the time of the closing of title of such Purchaser's Unit:

1. Title Insurance: If the Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. A reduced rate for fee and mortgagee title insurance may be available if the Purchaser obtains a mortgage loan, and fee and mortgagee title insurance are ordered simultaneously. A Purchaser may obtain title insurance from the Title Company or any title insurance company selected by Purchaser, without penalty, provided however, that if Purchaser's title insurance company refuses to grant affirmative insurance with respect to any encumbrance as to which the Title Company or any other title or abstract company which is a member of the New York State Land Title Association Inc. would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company, or any other title or abstract company which is a member of the New York State Land Title Association Inc., in connection with the closing of any other Units in the Condominium), then in no event shall the lack of affirmative insurance nor the existence of the encumbrance in question constitute a valid objection to closing title. Sponsor makes no representation or warranty regarding the terms of any such insurance.

2. Recording Charges: The fees charged by the City Register's Office for recording the Unit Deed, Power of Attorney and mortgage (if any), in the amount of $42.00 for each document, plus $5.00 per page (including the cover page), shall be payable by Purchaser, plus the filing fee, if any, for the RP-5217 form shall be payable by the Purchaser. In addition, a Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, which shall be payable by Purchaser.

3. Transfer Taxes and Mansion Tax: The New York City Real Property Transfer Tax ("NYC RPTT") is, as of the filing date of this Plan, for the purchase of a single Residential Unit, one percent (1%) of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax ("NYS RETT" and, together with NYC RPTT, collectively "transfer taxes") is as of the filing date of this Plan for Purchasers whose closings occur on or after July 1, 2019 and whose Agreements were entered into after April 1, 2019, $2 for each $500 (or fractional part thereof) of the consideration and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Unit if the total consideration paid for such Unit is $3,000,000 or more (at the rates described below). Pursuant to a recent amendment to Section 1404 of the New York State Tax Law, the New York State transfer tax amount will not be included as additional consideration for purposes of calculating New York State transfer taxes. For purposes of calculating the taxes payable, the amounts of, in the case of New York State, the NYC RPTT, and in the case of New York City, the NYC RPTT and NYS RETT, which are the primary obligation of the seller but are paid by Purchaser, will be included in the consideration subject to tax on a "grossed up" basis. However, Sponsor makes no representation regarding the calculation of the transfer taxes or the "consideration" upon which the New York State taxing authorities may base the transfer tax calculations and shall have no liability with respect thereto.

Therefore, the steps to compute the transfer taxes payable are:

- compute the tentative NYC RPTT by multiplying the purchase price (together with any other consideration or amounts paid by Purchaser which are the obligation of Sponsor other than transfer taxes) by the NYC RPTT rate;

- compute the tentative NYS RETT by multiplying the purchase price (together with any other consideration or amounts paid by Purchaser which are the obligation of Sponsor other than transfer taxes) by the NYS RETT rate;

- compute the taxable consideration by adding (i), the tentative NYC RPTT and (ii), the tentative NYS RETT to (iii) the purchase price (together with any other consideration or amounts paid by Purchaser which are the obligation of Sponsor, other than transfer taxes) and multiply such taxable consideration, by the NYC RPTT rate to determine the actual NYC RPTT payable;

- compute the taxable consideration by adding (i), the tentative NYC RPTT and (ii), the purchase price (together with any other consideration or amounts paid by Purchaser which are the obligation of Sponsor, other than transfer taxes) and multiply such taxable consideration, by the NYS RETT rate to determine the actual NYS RETT payable.

As an example, in respect of a Unit purchased with consideration in the amount of $13,300,000 (which, in addition to the purchase price, would include any other consideration, or amounts paid by Purchaser which are the obligation of Sponsor), the transfer tax calculation is as follows: (i) $13,300,000 x 1.425% = $189,525; (ii) $13,300,000/$500 x $3.25 = $86,450; (iii) $189,525 + $86,450 + $13,300,000 = $13,575,975; (iv) $189,525 + $13,300,000 = $13,489,525; (v) $13,575,975 x 1.425% = $193,457.64; (vi) $13,489,525/$500 x $3.25 = $87,681.91. Mansion Tax (described below) in the amount of $438,409.56 ($13,489,525 x 3.25%) would also be payable. All the foregoing is subject to increase in respect of additional "consideration," including, without limitation, the fee paid to Sponsor's Counsel, as described below.

If the purchase price together with other consideration paid for a Residential Unit is $1,000,000 or more, Purchaser will also pay the New York State Additional Tax pursuant to Section 1402-a of the Tax Law, which is, as of the filing date of this Plan, one percent (1%) of the consideration. If the purchase price together with other consideration paid for a Residential Unit is $2,000,000 or more, for Purchasers whose closings occur on or after July 1, 2019 and whose Agreements were entered into after April 1, 2019, Purchaser will also pay the New York State Supplemental Tax pursuant to Section 1402-b of the New York State Law. The aforementioned New York State Additional Tax and New York State Supplemental Tax, each to the extent applicable, are collectively referred to herein as the, "Mansion Tax". The computation of Mansion Tax shall include transfer taxes, as described above. The chart below sets forth the aggregate rate of Mansion Tax based on the consideration paid for a Unit.

Consideration amount	**NYS Mansion Tax Rate (which represents an aggregate of the New York State Additional Tax and New York State Supplemental Tax)**

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%
More than $25 million	3.9%

The purchase price, together with transfer taxes and any other consideration or amounts payable by Purchasers which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance (collectively, the "taxing authorities") to arrive at total consideration for transfer tax and Mansion Tax purposes. For example, the Purchaser of a Unit with a purchase price of $990,000, with respect to which Purchaser pays transfer taxes and other consideration, would be liable for the Mansion Tax because the aggregate consideration would be $1,000,000 or more. However, Sponsor makes no representation regarding the calculation of the Mansion Tax or the "consideration" upon which the New York State taxing authorities may base the Mansion Tax and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

In addition to the NYC RPTT, NYS RETT and Mansion Tax, Purchasers shall also be obligated to pay at closing any tax relating to the purchase or sale of any real estate or similar interests on the transfer of a Unit enacted after the filing date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or Purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as may be amended, may be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers are further advised to consult with their attorney or a tax expert regarding the

transfer or mansion taxes or other costs which may be payable in connection with closing of title.

Under the current policies of the New York City Department of Finance (the "Department of Finance") (as of the initial filing date of this Plan), where a Purchaser purchases two (2) or more Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the NYC RPTT will be imposed at higher non-residential rates, i.e., where the consideration is $500,000 or less, the rate will be 1.425%, and where the consideration exceeds $500,000, the rate will be 2.625%. This may be the case even if the Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. The Department of Finance has taken the position that the consideration for the transfer of each Unit under a deed in a bulk sale is not aggregated with the consideration for the other such deeded transfers in the same bulk sale for purposes of determining the rate to be applied to each Unit transfer (i.e., the 1.425% rate or the 2.625% rate). The Department of Finance has stated that application of the bulk sale rules are made on a case-by-case basis depending on the particular facts and circumstances and there is no guarantee that the Department of Finance will not change its position with respect to the foregoing. Thus, in connection with a bulk sale or otherwise, it is possible that a Purchaser could be required to pay these higher non-residential rates for purposes of the NYC RPTT and also pay the Mansion Tax. Consideration is not aggregated for Mansion Tax purposes. Purchasers will be required to pay the Mansion Tax on each Unit in a bulk sale if the total consideration attributable to such Unit is $1,000,000 or more.

4. Mortgage Tax Credit. In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a loan secured by a mortgage (the "Purchaser Mortgage"), Purchaser shall cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchaser Mortgage as determined by Sponsor. Upon such assignment, the Purchaser Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of the mortgage tax credit, which Purchaser receives as a result of such assignment, and the Purchaser will pay to Sponsor an amount equal to such exemption. In no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser. Accordingly, at the closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. Purchaser shall also be responsible for the payment of any costs associated with the assignment of the mortgage. Notwithstanding the foregoing, Purchaser shall not be required to pay an amount for mortgage tax in excess of that which would otherwise be due and payable on the transaction in the absence of such assignment. Purchasers are advised that in the event Sponsor requires Purchaser's lender to accept an assignment of a portion of Sponsor's mortgage as aforesaid, any failure of Purchaser's lender to agree to said assignment shall not excuse Purchaser from its obligations under the Agreement, including, but not limited to, its obligation to close title to the Unit on the date set for closing in accordance with the terms of the Agreement. **Prior to obtaining financing, Purchasers should confirm whether their prospective lender will be able to meet the requirements in this paragraph. As coordination of an assignment may be a long lead item,**

Purchasers should plan in advance to satisfy this requirement with their lender and any delays in closing relating to Purchaser or its lender being ready to close may require Purchaser to pay adjournment fees.

5. Mortgage and Related Costs: If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording taxes (taking into account however any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by Purchaser's lender, which closing costs may include, but are not limited to, mortgage broker fees, the fees of such lender's counsel, recording charges and mortgage title insurance. Currently, the New York State and New York City mortgage recording tax levied on individual residential condominium Units located in New York City is $2.05 for each $100 (and each remaining major fraction thereof) with respect to mortgages of less than $500,000, and $2.175 for each $100 (and each remaining major fraction thereof) with respect to mortgages in the amount of $500,000 or more (less, in each case, a $30.00 credit). The two mortgage recording tax rates described in the previous sentence are comprised of the New York City mortgage recording tax ($1.00, or $1.125 in the case of individual residential condominium Unit mortgages in the amount of $500,000 or more); and the New York State Basic ($.50), Additional ($.30); and Special Additional ($.25) mortgage recording taxes. Mortgage lenders may require borrowers to pay mortgage recording taxes. However, with respect to individual residential condominium Units, mortgage lenders may not require borrowers to pay, subject to certain statutory exceptions, the special additional mortgage recording tax, which accounts for $.25 of the New York State rate (as previously described in this paragraph 5). Mortgage lenders also may require borrowers to pay deposits for Common Charges, real estate taxes, fire and casualty insurance premiums, assessments and water charges and sewer rents. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage financing from any sources. As previously stated in subparagraph 4 above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor and such Purchaser will cooperate with Sponsor in obtaining such credit. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Sponsor makes no representation as to which mortgage recording tax rate will apply at the time of closing of a particular Residential Unit and shall have no liability with respect thereto.

6. Closing Fees: For each Unit, the sum of $3,850 shall be payable to Sponsor's Counsel as a per Unit base closing fee. For each issuance of a Storage Bin License, the sum of $500 shall be payable to Sponsor's Counsel as a per License base closing fee. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), and the Sponsor consents (in its sole discretion) the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's Counsel equal to: (a) $700 if the closing is held elsewhere in Manhattan; and (b) $875 if the closing is held in a borough other than Manhattan. In addition: (i) if, through no fault of Sponsor, the closing is adjourned (or is not concluded in its entirety on the day it commences), the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $500 for each adjournment (or continuation) to prepare and coordinate the new closing (or

continuation); (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance; (iii) $300 for the preparation of ACRIS transfer documents required by the City of New York; (iv) if Purchaser obtains mortgage financing, then Purchaser shall pay Sponsor's Counsel an additional fee of $850; and (v) Purchaser shall pay Sponsor's counsel the sum 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 any tax-deferred exchange under § 1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

7. Working Capital: A contribution to the Working Capital Fund in an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time, will be collected from Purchaser at Closing.

8. Common Charges: In addition to the contribution to the Working Capital Fund as described in paragraph 7 above, Purchaser will pay to the Board the Common Charges for the Unit for the first full month following the month in which title closes and Purchaser shall pay its pro rata portion of Common Charges for the month in which title closes. Common Charges for the month in which title closes shall be apportioned 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. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within 30 days after notice from the Board, deposit with such Board the amount so applied or retained so that at the option of the Board, such Board shall have the full amount of said security on hand at all times.

9. Projected Closing Costs Table. The following table illustrates the projected closing costs (based on rates in effect as of the initial filing date of this Plan) for a typical Unit purchased by a Purchaser at a Purchase Price of $7,050,000 assuming such Purchaser finances 80% (i.e., $5,640,000) of the purchase price. All figures are estimates.

Fee Title Insurance (if purchased simultaneously with mortgage title insurance) & Municipal Search Fee	$18,067.00
Fee for recording Unit Deed (10 pages), Unit Owner's Power of Attorney (6 pages) and RP-5217	$450.00

Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	$275.00
- mortgage recording tax (at 2.175% of $5,640,000 less $30.00 credit and 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	$108,540.00
- mortgage title insurance (if purchased simultaneously with fee insurance)	$3,717.00
New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax	$149,025.10
New York State Mansion Tax	$161,916.47
Working Capital Payment	$5,188.00
First Month's Common Charges	$2,594.00
Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)	$3,850.00
ACRIS Transfer Document Preparation Fee	$250.00
Mortgage Closing Coordination Fee	$500.00
TOTAL	$454,372.57

The projected closing costs referred to above are approximate and are not guaranteed. The mortgage loan closing costs vary widely among different lenders and also will vary depending on the loan program chosen.

In addition, at the closing, adjustments will be made between Sponsor and the Purchaser with respect to: (a) real estate taxes and assessments, if any (including water charges and sewer rents if separately assessed) on the basis of the period for which assessed; (b) Common Charges for the month in which title closes; and (c) accrued rent and any other charges pursuant to any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser had been allowed to lease, occupy or rent such Unit prior to the closing.

Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each

Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the By-Laws. Further, where the real estate taxes have not been separately assessed against each Unit, and to the extent Sponsor has not pre-paid same prior to the First Closing, Sponsor may escrow an amount with the Board equal to real estate taxes attributable to Unsold Residential Units for the six (6) month period following the First Closing, which payments will be adjusted as between Sponsor and Purchaser at each closing of a Residential Unit.

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M. RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations

a. Construction

Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, as is necessary in order to complete Sponsor's construction work at the Building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the Plans and Specifications for the work filed with the Department of Buildings and other appropriate governmental authorities.

Based upon Sponsor's construction schedule anticipated as of the initial filing date of this Plan, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its reasonable control, Sponsor's construction work at the Building will be sufficiently completed to permit closings of title to Residential Units to begin on or about July 1, 2023. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by more than six months, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then in either case Sponsor will offer all affected Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12 month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective. For the avoidance of doubt, Purchasers should note that real estate taxes or amounts paid in respect of real estate taxes are not part of the Schedule B and therefore are not included for purposes of the foregoing twenty five percent (25%) budget increase threshold. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Construction of the Building, including the individual Units, will be completed substantially in accordance with the Plans and Specifications, and otherwise in accordance with the Zoning Resolution, the Building Code of The City of New York and all other applicable Legal

Requirements. 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, fixtures, furnishings, and other construction and design materials and details set forth therein or in Exhibit 4 in Part II of the Plan, items that are "Equal or Better" (meaning of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable), provided, however, that any material change shall be set forth in an amendment to the Plan.

Any change in the size or number of Residential Units and/or their respective Common Interest, and additionally any material change in the size or quality of any of the Common Elements, shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration.

Where an Agreement for a Residential Unit has been countersigned by Sponsor and returned to the Purchaser, no material change will be made in such Residential Unit's size, layout or percentage of Common Interest, and no material change in size and no material and adverse change in the quality of General Common Elements, Residential Common Elements or Residential Limited Common Elements appurtenant to such Unit, if any, will be made, unless: (i) the affected Purchaser consents (or in the case of General Common Elements, unless all Purchasers consent); (ii) the Purchaser is in default and the period of time in which such Purchaser may cure the default has expired; or (iii) the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event covered by this clause (iii), Sponsor will, in the amendment disclosing such change, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days from the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.) However, as long as the layout and dimensions of a Residential Unit conform substantially to the Plans and Specifications, a Purchaser will not be excused from purchasing a Residential Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof. There is a rebuttable presumption that an increase in the Common Interest appurtenant to a Unit in excess of five percent (5%) or less, or Unit size that is diminished by five percent (5%) or less, is not material. The issuance of a temporary or permanent certificate of occupancy for all or any portion of the Building shall be deemed presumptive evidence that the construction of the Building or such portion and its appurtenances and all of the Units covered by such certificate of occupancy have been substantially completed in accordance with this Plan and the Plans and Specifications. However, notwithstanding the foregoing, Sponsor or its representatives will correct, repair or replace all defects in the construction of the Building and its appurtenances and the Residential Units offered hereby, or in the installation or operation of any appliances, furnishings, fixtures or equipment in the same, or will cause the same to be corrected, repaired or replaced, but only if such defects are due to improper workmanship or material substantially at variance with the Plans and Specifications, and Sponsor is notified by the Board or the affected Residential Unit Owner in writing of such defect: (i) as to the Common Elements, within one year from the earlier of the

issuance of a temporary Certificate of Occupancy for the portion of Building subject to such defect or the date of substantial completion of the portion(s) of the Common Elements which is claimed to be defective; or (ii) as to any Residential Unit, on or prior to the date of closing for such Residential Unit, except that if any such defect in a Residential Unit can be detected only by occupancy of the Residential Unit, Sponsor will correct such defect if notified in writing by the Residential Unit Owner within one year from the earlier of the closing of title to such Residential Unit or the commencement date of an interim lease for such Residential Unit. Notwithstanding the foregoing, but without limiting Sponsor's obligation to complete Sponsor's construction work at the Building substantially in accordance with the provisions of this Plan, all applicable Legal Requirements, and the Description of Property as set forth in Exhibit 4 in Part II of the Plan (and as set forth in Special Risk #7), Sponsor will not be responsible for correcting any defects in the construction, renovation or installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, materialmen, or others are assigned to the Board or Residential Unit Owners; or for any condition resulting from normal wear and tear or natural deterioration or from normal settling or shifting of the Building, or for defects of an insubstantial nature, such as, without limitation, partial or total demise of any landscape improvements, nail pops, ridging on gypsum board or sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, grouting cracks, scratches in formica, stone (including man-made stone) or porcelain or other surfaces, bath and kitchen tile grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building, ceiling imperfections, slight separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), existence of mold (as more particularly described above in the Section titled "Features of Condominium Ownership"), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting, or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor shall be obligated to repair only abnormally chipped stone (including man-made stone), formica and porcelain surfaces, which repair shall be made by filling the stone (including man-made stone) or formica or refinishing the porcelain, but Sponsor shall not be obligated to replace such stone, formica or porcelain surfaces. Except as expressly set forth herein, Sponsor has no obligation to make any repairs of any kind. In no event shall Sponsor be liable for special or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligations under the Plan shall be to repair or, at Sponsor's option, replace any defective item of construction (whether

arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions set forth in this paragraph, provided, however, that nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of: (i) any variations from the Plans and Specifications or the description of the Building or a Residential Unit set forth in the Plan which are not material; or (ii) immaterial variations from the Plans and Specifications or the description of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation which is material will be disclosed in a duly filed amendment to the Plan.

Each Residential Unit offered hereby and the fixtures and personal property contained therein, are being sold and delivered "AS IS" in the condition they exist at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Residential Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Building Condition" subject to reasonable wear and tear), as described in the Plan at the time of the transfer of title to such Residential Unit, unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit 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. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the inspection statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the closing for such Residential Unit.

Sponsor shall not be obligated to correct, repair or replace any conditions relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Notwithstanding anything contained herein, Sponsor is obligated to construct the Units and Common Elements substantially in accordance with the provisions of this Plan, all applicable Legal Requirements and the Description of Property and Specifications set forth in Part II of this Plan. Purchasers should consult with their attorneys as to the impact of the foregoing disclosure in the event Sponsor fails to meet its obligations under the Plan and pursuant to Legal Requirements.

b. Real Property Law §339-kk

Section 339-kk of the Real Property Law ("RPL"), a copy of which is set forth in

Part II of the Plan, applies to all condominiums in the State of New York, and provides additional financial protection for a condominium association if the sponsor or other non-occupant unit Owner of a Unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's Units.

With respect to unsold Units of a condominium owned by a sponsor or by any other non-occupant Unit Owner and occupied by a tenant, RPL §339-kk provides as follows:

(a) If payment of common charges, assessments or late fees by any non-occupant Unit Owner is more than 60 days late after the expiration of any grace period within which they are due, payments from a tenant of such Unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant Unit Owner. Where a majority of the Condominium Board has been elected by Unit Owners who are in occupancy of their respective Units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the common charges, assessments and late fees of the non-occupant Unit Owner have been brought current, the Condominium Board must notify the non-occupant Unit Owners and tenant within three business days and thereafter the rental payments will be payable to the non-occupant Unit Owner or a designated agent.

(b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the condominium pursuant to the RPL §339- kk, relieves the tenant from the obligation to pay rent to the non-occupying Unit Owner.

(c) Any rights existing under any other laws are not limited by RPL §339- kk.

(d) A non-occupant Unit Owner who disputes a condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within 30 days after receipt of notice that the Unit Owner seeks to dispute the Condominium's claim.

Sponsor makes no representation or guarantee that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

In addition, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Unit Owner and secured by a Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan; (ii) RPL 339-kk's effect on assignments of leases and rents given by a non-occupant Unit Owner to mortgagee in connection with purchase-money financing or otherwise; (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Board after notice from the Board (in accordance with RPL §339-kk) to do so; (iv) the consequence of the Board's failure to give notice to a tenant; or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

No representation is made about the tax effects of RPL §339-kk.

Prospective Purchasers should review RPL §339-kk to determine its effect on their own situation.

c. Payment of Expenses

All costs and expenses in connection with Sponsor's construction work at the Building and its appurtenances (including all sums properly due to contractors, subcontractors, suppliers and all others involved in such construction for work performed and fixtures, material and equipment supplied or installed) will be paid by Sponsor. Sponsor will cause all mechanics' liens arising out of Sponsor's construction or work at the Building to be bonded or discharged promptly after Sponsor receives notice of the filing of the same. Alternatively, Sponsor will cause the Title Company or the title insurance company insuring a Purchaser's title to a Unit to affirmatively insure against collection of such liens out of, or enforcement of the same against, such Unit by posting a bond or bonds or escrowing a sum of money. However, if a Purchaser's title insurance company refuses to grant such affirmative insurance and the Title Company or any other title or abstract company which is a member of the New York State Land Title Association, Inc. would have been willing to grant the same at its regular rates without additional premium, neither such lack of affirmative insurance nor the existence of the liens in question will constitute a valid objection to title.

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

d. Assignment of Warranties

Sponsor will deliver, assign or otherwise grant to the Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the construction, renovation and equipping of the Building, such delivery, assignment or grant to the Board to occur as of the later of the date of recording of the Declaration or the date on which Sponsor receives such assignable warranties and other undertakings, except that warranties and undertakings received by Sponsor which relate to the appliances, equipment, furnishings or fixtures located in any Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Certain warranties with respect to the Building will be held by the Board on behalf of all Unit Owners as to whose Units such warranties pertain. Sponsor makes no representation and Purchasers are hereby advised that the term of any such warranty may have expired before the closing of such Purchaser's Residential Unit.

e. Certificate of Occupancy

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 TCO's. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCO's and PCO's are issued by the New York City

Department of Buildings ("Department of Buildings" or "DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved Plans and Specifications, and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified in the TCO. No change of legal use or occupancy shall be made unless a new certificate of occupancy is issued. All TCO's have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. Sponsor and its principal will undertake the responsibility for extending each TCO received prior to expiration thereof, and ultimately for obtaining a PCO covering the Residential Section. However, Sponsor and its principal make no representation or guarantee that DOB will issue the PCO within a two (2) year period following the date of issuance of the first TCO (which is the timeframe anticipated by the Multiple Dwelling Law for issuance of a PCO). 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 TWO 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 Unit Owners to undertake renovations to individual Units prior to the procurement of a permanent Certificate of Occupancy, such renovations may cause additional delays in the issuance thereof, including a delay beyond two years from the date of the issuance of the first temporary Certificate of Occupancy. Notwithstanding the forgoing, Sponsor is obligated to procure the permanent Certificate of Occupancy.

Purchasers are advised to visit the Department of Buildings website for further recommendations when purchasing a unit in a building that does not have a permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the Department of Buildings website at: https://www1.nyc.gov/assets/buildings/pdf/cofo_guide.pdf.

Sponsor will apply for a temporary Certificate of Occupancy from the Department of Buildings prior to the First Closing, potentially on a phase by phase, floor by floor, or area by area basis, and will also apply for a permanent Certificate of Occupancy after substantial completion of Sponsor's construction work at the Building.

In the event that a permanent Certificate of Occupancy has not been issued for the Building as of the First Closing, Sponsor is required to maintain all Deposits and funds paid on account of Purchase Prices (but not any payments given for special work ordered by Purchasers) in the special escrow account required by General Business Law Section 352-e(2)(b), unless Sponsor's engineer, architect, construction manager or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work remaining to be done by Sponsor in order to obtain such permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by Sponsor's engineer, architect, construction manager or other qualified expert may be released from the special escrow account. Alternatively, Sponsor may place in escrow with Sponsor's Counsel an unconditional irrevocable letter of credit, a surety bond from

an institutional lender or recognized bonding company acceptable to the Department of Law, or cash, in each case in an amount that when added to the Deposits being maintained in the special escrow account, will equal not less than the amount so certified. Sponsor may also use as collateral to similarly secure its obligation to obtain a permanent Certificate of Occupancy, the unfunded portion of a construction loan (if any) or other collateral acceptable to the Department of Law and disclosed in an Amendment to this Plan. If Sponsor has placed cash in escrow, such funds will be held by Sponsor's Counsel in escrow in a separate bank account. All interest and income on such escrowed funds will be paid to Sponsor, as and when earned and collected.

As the work progresses, Deposits held for Units conveyed to Purchasers may be released to Sponsor by Sponsor's Counsel from time to time, provided the remaining Deposits maintained in the special escrow account, together with said unfunded construction loan (if any) or other acceptable collateral, shall be not less than the amount then so certified to be reasonably necessary to complete all remaining work in order to obtain a permanent Certificate of Occupancy. Sponsor's Counsel will rely entirely upon such certificate in releasing such funds or other collateral and will not make any independent inquiry or evaluation. Any remaining balance of the escrow funds and/or other collateral will be released to Sponsor upon the issuance of a permanent Certificate of Occupancy for the Building. If Sponsor has deposited a letter of credit or surety bond, it will be subject to periodic reduction in amount upon the same terms as described above for the reduction and release of a cash deposit.

Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Board a complete set of architectural drawings and a complete set of mechanical, electrical, plumbing and sprinkler "as-built" drawings for the entire Building.

f. Architect's Certification

In accordance with Section 339-p of the New York Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with appropriate governmental authorities.

g. Payment of Common Charges and Real Estate Taxes

Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums and any reserve fund payments required by lenders under the Construction Loan. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor shall give all Unit Owners and Purchasers at least thirty (30) days prior notice of the expiration of the Waiver Period, and will identify the date on which the Waiver Period expired in the next substantive amendment to the Plan to be filed; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B – "Projected

Budget for First Year of Condominium Operation". Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, as well as any other expenses customarily attributed to Unit Owners. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period.

Upon expiration of any such Waiver Period and the commencement of assessment of Common Charges against the Units, there will not be any assessment over and above the amount of such Common Charges against Units or Unit Owners for any item set forth in the approved budget that is in effect at the time of commencement of assessment of common charges. During any such Waiver Period, Sponsor shall remain obligated to update the operating budget for the Condominium when and as needed, as provided in the New York State Department of Law regulations as to the same. (See the Section entitled "Control by Sponsor" in Part I of the Plan for further discussion.)

h. Insurance

Sponsor will initially procure on behalf of the Board, to take effect on or before the date of the First Closing, or otherwise to cause the board to procure, the insurance relating to the Condominium which is required to be maintained by the Board in accordance with the provisions of the By-Laws (see the Section of the Plan entitled "Rights and Obligations of the Unit Owners and the Board" in Part I), the cost of which insurance has been reflected in the Projected Budget set forth as Schedule B in Part I above. Such required coverage(s) may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with its construction at the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

For the avoidance of doubt, each Unit includes, and each Unit Owner shall be responsible for (maintaining, repairing, replacing, etc.), all fixtures, equipment and other items of personalty, including, without limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as defined in the Declaration) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and

serving or benefiting only that Unit.

i. Right of Access

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan, performing certain alterations and repairs in or about the Unsold Residential Units and exercising its other rights or performing its other obligations under the Plan. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Residential Unit and to all of the Residential Common Elements and Residential Limited Common Elements for the purpose of performing certain alterations and repairs in or about the Unsold Units, complying with and fulfilling each party's obligations as set forth in the Plan and other documents relating to the construction (including obligations relating to procuring a permanent Certificate of Occupancy), development and operation of the Property (including the Units therein), performing post-closing Residential Unit "punchlist" work, and exercising its other rights or performing its other obligations under the Plan. In connection with Sponsor's obligation to procure a permanent Certificate of Occupancy, the Board will in good faith cooperate and not interfere with Sponsor's efforts relating to the construction, development and operation of the Property. Sponsor and any successor Sponsor's rights under this paragraph shall continue (a) notwithstanding that no Unsold Units remain, (b) until the Building has been fully constructed and a permanent Certificate of Occupancy for the Building has been issued, and (c) until Sponsor has no remaining obligations under the Offering Plan or under a Purchase Agreement (i.e., post-closing Residential Unit "punchlist" work), or otherwise. Except in the event of an emergency, Residential Unit Owners' shall receive a minimum of one (1) days' notice from Sponsor in connection with the foregoing access. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

j. Dissolution

In the event of the dissolution or liquidation of Sponsor, or the transfer of 10 or more units or 20% or more of the total number of units in the Condominium, whichever is less, to a single Purchaser, Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan and applicable laws or regulations (including, without limitation, Sponsor's representation that will endeavor in good faith to sell the Units offered hereunder but subject to the reservation of the unconditional right to rent or lease, rather than sell, such Units).

k. General

Sponsor's representations, warranties and covenants under this Section of the Plan and its obligations under the General Business Law will survive the delivery of deeds to the respective Units only for the time periods set forth above. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Residential Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Board and the Unit Owners against, hold them

harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

The obligations of Sponsor hereunder shall be enforceable by the Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Board will expire during the aforesaid ninety (90) day period.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. Notwithstanding the foregoing or anything to the contrary herein, Sponsor represents that it has the financial resources to pay Common Charges, special assessments and real estate taxes with respect to the Unsold Residential Units and agrees to pay such amounts and will fund its obligations through debt and equity.

l. Use of Unsold Residential Units

Sponsor and its designee reserve the right to use or occupy or to rent, hire or lease any Unsold Residential Unit to any Purchaser or non-purchasers at any time, both before and after the First Closing (provided that a permanent or temporary Certificate of Occupancy covering each such Residential Unit has been obtained). Notwithstanding the foregoing, if an Unsold Residential Unit is rented prior to the First Closing such Unit will be rented pursuant to the terms of an interim lease agreement with the Purchaser or Purchaser for which such Unit is then under contract. Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional and unrestricted right, to rent or lease any such Unsold Residential Unit to Purchasers and others after consummation of the Plan. As a result, Purchaser may be acquiring a Residential Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Residential Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once an Agreement is signed for a Residential Unit, and for so long as such Agreement is in effect, such Residential Unit may be leased only to the Purchaser listed on the Agreement (unless such Purchaser agrees otherwise).

Notwithstanding the foregoing or anything contained herein, in the Declaration, By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Residential Unit (as hereinafter defined) as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable governmental laws and regulations as to any such use. Unsold Residential Units may be leased by Sponsor or by an Owner

of Unsold Residential Units for any period of time, for any use and on any terms which are consistent with the then-existing Certificate of Occupancy for the Building. While a Certificate of Occupancy has not yet been issued for the Building it is anticipated that the Certificate of Occupancy will not permit transient occupancy.

m. Alterations of Unsold Residential Units

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Residential Unit Owner or any Permitted Mortgagee, to make any alterations, additions, improvements or repairs in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Residential Units, or to add more Residential Units by subdividing Unsold Residential Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Residential Unit).

An initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. Absent Sponsor's consent thereto, Purchasers shall have rights in respect of alterations as are set forth in Article 6 of the By-Laws and described generally in the Section of the Plan entitled "Rights and Obligations of Residential Unit Owners and the Board" below. In no event shall Sponsor's consent to any alterations exempt such work from Sponsor's rights to impose additional requirements where such work could impact Sponsor's ability to obtain a permanent Certificate of Occupancy for the Building.

n. Casualty

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser, but with respect to Purchaser, only to the extent not covered by insurance carried by Sponsor with respect to the Unit as Owner of the Unit) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of an Agreement, and Sponsor gives written notice to the Purchaser within 60 days of such casualty of Sponsor's election to repair or restore the Unit, then the Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights, if any, of the Condominium Board, and other Unit Owners, belong entirely to Sponsor.

However, if Sponsor notifies the Purchaser in writing within such 60 day period that it does not elect to repair or restore the Residential Unit, or if the Residential Unit Owners entitled to make such determination do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Residential Unit Owners and

the Board" in Part I of the Plan), the Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Deposit, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Agreement and this Plan, except that if the Purchaser is then in default under the Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Deposit, together with interest earned thereon.

o. Reservation of Air and Development Rights

Following the completion of the Building, there will not be any Development Rights remaining appurtenant to the Property. Notwithstanding the foregoing, Sponsor has retained and expressly reserves all excess air or developmental rights (collectively, the "Development Rights") otherwise appurtenant to or which may become available to the Property both (a) prior to the First Closing, in connection with any renovation work to be performed by Sponsor at the Building; and (b) subsequent to the First Closing, at which time Sponsor will continue to own any Development Rights not used in connection with any renovation of the Building prior to the First Closing. As a result, unless Development Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements and otherwise, may not be possible or may be limited. Further, Sponsor, as a result of such reservation, may transfer or sell such Development Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale.

The Development Rights will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, or in the event the owner(s) of adjoining properties acquire floor area development rights from other properties, a Unit Owner's views and exposure to light may be affected.

p. Roof Rights/Easements

Until such time as no Unsold Residential Units are remaining in the Condominium and provided there is no material adverse effect on the Condominium, Sponsor and/or its designees have with respect to the roof of the Building, the exclusive right (and such easements as shall be necessary or useful) at any time and from time to time at its sole cost and expense, to exclusively erect, use, lease, license, maintain, repair, replace and operate a structure, platform or other installation for any purpose permitted by Legal Requirements, including without limitation, for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other equipment; provided, however, that such portion of the roof of the Building has not been expressly designated under this Plan (and actually used) for the exclusive or common use of one or more Residential Unit Owners, (including, without limitation, the Rooftop Common Terrace which is an accessory to the residential space of the Building) or for the

location of any other Building equipment, and further provided that that Sponsor shall give prior notice to the Board for information purposes only of the type and location of such structure or installation. Sponsor has the further right to erect, use, lease, maintain, repair, replace and operate related electronic and other equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations or rights of Sponsor and/or its designees with respect to the roof or mechanical equipment room shall be the sole obligation or right of Sponsor and not of the Condominium, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, in which case Sponsor (and not the Condominium) shall be responsible for all costs and expenses (including any increase in insurance costs) related to such right and easement. All of the foregoing shall at all times be used, installed and maintained in compliance with all Laws and insurance requirements. The word equipment as used in this paragraph shall be deemed to include fiber optic cable and other communications lines, wires, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies.

q. Miscellaneous

Sponsor and its designee(s) shall have the right, until the 10th anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Residential Units). Such activities will result in excess traffic and noise in the Building, and may interfere with owner-occupants' enjoyment of the Building.

r. Sponsor's Right to Issue Storage Bin Licenses

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to issue initial Storage Bin Licenses for Storage Bins.

s. Certification by Sponsor and Sponsor's Principal

Exhibit 8A in Part II of this Plan includes a certification by Sponsor and Sponsor's principal (the "Sponsor Certification") pursuant to Section 20.4(b) of the regulations issued pursuant to General Business Law, Article 23-A, as amended (the "Martin Act"). Sponsor's principal has executed the Sponsor Certification for compliance with the Martin Act and governing regulations. Sponsor's principal expressly disclaims the existence of any private right of action for contract claims by individual Unit Owners (or the Condominium Board, on their behalf) in connection with or arising solely from their execution of the Sponsor Certification, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et. al, 2013 N.Y. Slip Op 03574 (1st Dept. May 16, 2013).

t. Existing Mortgages and Construction Loans

Sponsor has obtained a construction loan encumbering the Property from Bank Hapoalim B.M. (the "Construction Loan"), having an address at 1120 Avenue of the Americas, New York, NY 10036. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Purchasers are advised that should the Construction Lender assume Sponsor's obligations hereunder pursuant to the Construction Loan, such event shall not be deemed material and adverse and will not give rise to a right of rescission.

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u. Local Law 11 (FISP)

As set forth in the Description of Property and Specifications set forth as Exhibit 4 in Part II of the Plan, New York City Façade Inspection and Safety Program (FISP) formerly known as Local Law LL11-98 applies to the Building.

Under FISP, periodic inspections are required in order to maintain a building's exterior walls and appurtenances thereto in a safe condition. A filing is required for all buildings with exterior walls or parts thereof that are greater than six stories in height, including the basement, but not the cellar, as defined in the Building Code, and regardless of the information in the certificate of occupancy.

Buildings required to file a report shall do so once every five-year report filing cycle established by the department. A report shall be filed within sixty days of the date on which the visual critical examination is completed (final inspection date) and not more than one year after completion date of the required physical close-up inspection.

Typical components of the inspection report include a description of the building and any previous repairs or revisions to the exterior of the building, a description of the procedures used in making the critical examination, a summary of findings and recommendations, a statement of the scope of the inspection and findings, and the conclusions and a determination as to whether the building is categorized as "safe", "SWARMP", or "unsafe". The inspector looks for deterioration (cracks, spalls, joint deterioration), any movement detected, and apparent water-tightness of the exterior surfaces. Appurtenances are observed as well which include exterior fixtures, flagpoles, signs, parapets, railings, copings, guard rails, window frames, balcony enclosures, window air conditioners, window guards, flower boxes, and any equipment attached to or protruding from the façade. Balcony railings are to be inspected to ensure that their components are positively secured against upward movement. If any balcony enclosure is found not to be secured, the condition is classified as "unsafe".

A building is classified as "safe" when the condition of the building wall, any appurtenances thereto or any part thereof does not require repair or maintenance to sustain the structural integrity of the exterior of the building and that will not become unsafe during the next

five years.

A building is classified as "SWARMP" (Safe with a repair and maintenance program) when the condition of the building wall, any appurtenances thereto or any part thereof is safe at the time of inspection, but requires repair or maintenance during the next five years in order to prevent its deterioration into an unsafe condition during that five-year period. The owner of the building is responsible for ensuring that the conditions described in the critical examination report as "SWARMP" are repaired and all actions recommended by the qualified inspector are completed within the time frame recommended by the qualified inspector, and are not left to deteriorate into unsafe conditions before the next critical examination. A report may not be filed describing the same condition and pertaining to the same location on the building as "SWARMP" for two consecutive report filing cycles.

An "unsafe" condition is described as a condition of a building wall, any appurtenances thereto, or any part thereof that is hazardous to persons or property and requires prompt repair. In addition, any condition that was reported as "SWARMP" in a previous report and that is not corrected at the time of the current inspection shall be reported as an "unsafe" condition. All "unsafe" conditions shall be corrected within thirty days from the submission of the critical examination report. The owner of the building shall immediately commence such repairs or reinforcements and any other appropriate measures such as erecting sidewalk sheds, fences, and safety netting as may be required to secure the safety of the public. Within two weeks after repairs to correct the unsafe condition have been completed, a final inspection of the premises is needed to obtain permit sign-offs and an amended report shall be filed with the department stating the revised report status of the building.

The LL11-98 (FISP) requirements for new building state that a report shall be filed five years from the date the first temporary certificate of occupancy is issued if that five-year date falls within the applicable filing window according to the last digit of the building's block number. If the five years from the date the first temporary certificate of occupancy or permanent certificate of occupancy issued falls outside the applicable filing window, according to the last digit of the building's block number, then the initial report shall be filed within the applicable two-year filing window for the next five-year cycle.

Local Law 11 report will be due in accordance with the NYCDOB schedule in effect at the completion of construction. Based on the anticipated completion of construction date of December 2023. The initial critical examination of the building shall be conducted in 2028, the fifth year following the erection of the exterior walls and I or enclosures inspection. Based on the current NYCDOB schedule the inspection will be scheduled during Cycle 10.

Compliance with FISP, including, but not limited to, hiring an architect or engineer to perform an inspection and filing a report with DOB, and any costs associated therewith shall entirely be the responsibility of the Condominium Board, and not of Sponsor. Purchasers are advised that costs associated with Local Law 11-98 (FISP) inspections could be substantial and may include installation of construction bridges and other scaffolding as required by DOB for extended periods of time. (See the "Description of Property and Specifications" set forth as Exhibit 4 in Part II of the Plan for further details.)

v. Construction Dispute

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

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N. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners (the "First Annual Meeting"), the Board shall consist of three members whom shall be designated by Sponsor. Sponsor anticipates designating the following persons as the initial Board members (all of whom are experienced in real estate matters and familiar with the Property): Jamie Aloia, Ali Bulman, and Amer Rada, all of whom are principals of Sponsor or are employed by an affiliate of Sponsor, and none of whom have any relationship with Sponsor's attorney other than in such capacity. Sponsor will amend the Plan prior to the First Closing in the event such three persons shall not constitute the initial Board members. At the First Annual Meeting, the incumbent three member Board designated by Sponsor will resign and a new five member Board will be elected and/or designated, as the case may be, as described below. The First Annual Meeting shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. As a result of the foregoing, there is no provision in the By-Laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing. In addition, because Sponsor has the unconditional right to rent or lease the Units, there is no commitment to sell more Units than the 15 percent of Units (i.e., two Residential Units) necessary to declare the Plan effective, and as such, owner-occupants may never gain effective control and management of the Condominium.

From and after the First Annual Meeting, the Board will consist of five members elected and/or designated as follows: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below), and; (ii) one member designated by the Commercial Unit Owners (which may include Sponsor or a Sponsor affiliate).

At meetings of the Unit Owners, Sponsor will, at all times, have the right to vote all of the Common Interests appurtenant to the Residential Units owned by Sponsor as it sees fit, regardless of whether Sponsor, in the capacity of Sponsor or as the owner of a Commercial Unit, has also designated members of the Board as set forth herein. At elections of members of the Board held at and after the First Annual Meeting, but before the expiration of the "Sponsor Control Period" (defined below), the composition of the Board shall be as follows: (i) Sponsor (or other Unsold Residential Unit Owner) shall have the right to designate three members of the Board, which designees may be related to or affiliate with Sponsor, Sponsor's designees or other Unsold Residential Unit Owner(s); (ii) Sponsor (or other Unsold Residential Unit Owner) and all other Residential Unit Owners shall have the right to elect one member of the Board; and (iii) the Commercial Unit Owners shall have the right to designate the fifth and final member of the Board. Until such time as the Commercial Units are offered for sale and conveyed to a party unaffiliated with Sponsor pursuant to an amendment to the Plan or a "no-action" letter issued by the Department of Law, Sponsor or its affiliate will continue to own the Commercial Units, and thus, in such event, Sponsor or its affiliate would be entitled to appoint, in the aggregate, four of the five members of the Board during the Sponsor Control Period. No representation or warranty is made as to who the subsequent owner(s) of the Commercial Units may be at any time. In the event of a transfer of ownership by Sponsor to an entity not affiliated with Sponsor, Sponsor will amend the Plan to disclose such transfer. The Sponsor Control Period is the period ending upon the earlier

to occur of: (a) the fifth anniversary of the First Closing; or (b) the closing of title to all of the Residential Units. **THEREFORE, SPONSOR MAY NEVER BE REQUIRED TO RELINQUISH CONTROL OF THE BOARD.**

At elections of members to the Board held after the expiration of the Sponsor Control Period but while Sponsor and/or its designee still owns at least one Residential Unit, Sponsor and/or its designee shall have the right to designate at least one of the four members of the Board otherwise to be elected by the Residential Unit Owners, including Sponsor (in addition to any member Sponsor may appoint as the owner of the Commercial Unit), who may be a person related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner; and the Residential Unit Owners (including Sponsor) shall have the right to elect the remaining three members of the Board to be elected by the Residential Unit Owners, who shall be persons not related to or affiliated with Sponsor, Sponsor's designee or other Unsold Residential Unit Owner. The Commercial Unit Owners shall at all times have the right to designate one member of the Board.

Accordingly, from and after the expiration of the Sponsor Control Period, at least three of the four members of the Board representing the Residential Unit Owners shall not be designated by Sponsor or its designee. There is no restriction on the right of Sponsor and/or its designee(s) or other Unsold Residential Unit Owner(s) to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or such Unsold Residential Unit Owner(s). The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Residential Units, for so long as there remains at least one Unsold Residential Unit.

The By-Laws do not include a provision that after the expiration of the Sponsor Control Period a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principals within two years after the First Closing. Unit Owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

Until Sponsor no longer designates a majority of the members of the Board, Sponsor will, through its control of the Board, be able to control the maintenance and operation of, and the services to be provided by, the Condominium, and also the determination of Common Charges to be paid by all Unit Owners. Prospective Purchasers should be advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

Moreover, during the Sponsor Control Period, the Board may not, without the prior written consent of Sponsor: (i) make any addition, alteration or improvement to the Common Elements or any Unit (unless required by any applicable Legal Requirements); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B – "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract

for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium unless any such borrowing is approved by the owners of Units representing at least 75% both in number and in aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Unit. However, the Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other reasonable alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five years after the First Closing or whenever the Unsold Residential Units constitute less than 25% of the Common Interest, whichever is sooner.

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O. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Board. The Board shall initially consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners, at which time the incumbent Board will resign and a new Board, consisting of five members, will be elected and/or designated by the Unit Owners and Sponsor, as the case may be. From and after the First Annual Meeting, the Board will consist of: (i) four members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members, and; (ii) one member designated by the Commercial Unit Owners (which may be Sponsor or a Sponsor affiliate). See the Section immediately above entitled "Control By Sponsor" for more details.

The By-Laws do not include a provision that after the expiration of the Initial Control Period a majority of the Board must be Unit Owner-occupants or members of a Unit Owner-occupant's household who are unrelated to Sponsor and its principal within three (3) years after the First Closing. In addition, because Sponsor has the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more Residential Units than the 15% of Residential Units necessary to declare the Plan effective (i.e., two Residential Units) and owner-occupants may never gain effective control and management of the condominium. (See "Meetings and Votes of Unit Owners" in this Section below and "Control by Sponsor" in Part I).

The First Annual Meeting shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title to Units representing at least 50% both in number and aggregate Common Interests of all Units to Purchasers. (See the Section entitled "Control By Sponsor" above).

The term of office of each of the four members representing the Residential Unit Owners (including Sponsor as the owner of Unsold Residential Units) on the Board that are elected or designated at the First Annual Meeting shall be fixed at such meeting as follows: (a) two of such members will serve for a term of approximately three years; (b) one of such members will serve for a term of approximately two years; and (c) one of such members will serve for a term of approximately one year. Those members of the first four member Board who receive the highest number of votes will serve for the longest terms of office, but except as set forth in the By-Laws, any members designated by Sponsor or its designee as the owner of Unsold Residential Units shall serve for the shortest terms of office. At all times the Commercial Unit Owners shall have the right to designate one representative to the Board, which member shall serve for a term of approximately one year. At each annual meeting of Unit Owners subsequent to the first such meeting, the Residential Unit Owners (including Sponsor as the owner of Unsold Residential Units) shall elect (or in the case of Sponsor, designate) Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board (including any member designated by Sponsor or its designee as the owner of Unsold Residential Units) shall serve until a successor has been elected and qualified. Subject to the requirements described in the Section of the Plan entitled

"Control by Sponsor", there shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

Except for Board members elected or designated by Sponsor or its designee or elected by the Commercial Unit Owners, all members of the Board shall be: (i) individual Unit Owners or Permitted Mortgagees of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Units (or officers, directors, employees or stockholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee or elected by the Commercial Unit Owners, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

No person who is a convicted felon in any jurisdiction shall be permitted to serve on the Board at any time. Should a Board member be convicted of any felony while serving on the Board, then such Board member shall be deemed to have resigned from the Board as of the date of any such conviction; and his/her successor shall be designated or elected according to By-Law provisions governing the replacement of Board members who resign or who are otherwise removed from the Board.

Prospective Purchasers are advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., for use as a home as opposed to as an investment).

The Board member designated by the Commercial Unit Owners shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and/or Residential Common Elements of the Building. The presence of the member of the Board designated by the Commercial Unit Owners shall not be required at any meetings pertaining solely to matters which do not affect such Unit Owners(s), and a majority of the members other than the representative of the non-affected Unit Owners shall constitute a quorum for purposes of such meetings, and the votes of a majority of such members at a meeting at which a quorum is present shall constitute the decision of the Board.

Except with respect to Sponsor or its designee, in no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. Except with respect to Sponsor or its designee, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

Generally, any member of the Board may be removed from office, with or without cause, by a Majority of Unit Owners, provided, however, that any member of the Board designated or elected as such by Sponsor (or its designee) may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In connection with a member of the Board designated or elected by Sponsor, in the event of any removal described in the previous sentence, whether with or without cause, either Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

Members of the Board shall serve without compensation. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses. The cost of the same has been provided for in the estimate of the Common Charges contained in Schedule B in Part I of the Plan above.

2. Powers and Duties of and Determinations by Board

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present, unless otherwise expressly provided in the By-Laws.

3. Meetings and Votes of Unit Owners

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date to be set by the Board. At each such meeting, the Unit Owners shall elect or designate, as the case may be, members to replace those members of the Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 50% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners. As further set forth in the Article 13 of the By-Laws (and subject to the rights of Declarant, the Commercial Unit Owners and Residential Mortgagee Representatives), amendments to the Declaration and By-Laws affecting only the Residential Units or the Residential Unit Owners require an affirmative vote of at least sixty-six and 2/3 percent (66 2/3%) in number and in common interest of the Residential Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements appurtenant to his or her Unit or Units.

4. Officers

The principal officers of the Condominium will be the President, Vice-President and Secretary/Treasurer, all of whom shall be elected by the Board. The Board may also appoint additional officers as the Board in its judgment may deem advisable.

None of the officers of the Condominium need be Unit Owners or have any interest therein or be members of the Board; except that, from and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be a member of the Board.

Upon the affirmative vote of a majority of the members of the Board, present in person or by proxy at a regular meeting of such Board, or at a special meeting of such Board called for such purpose, at which a quorum is present or is otherwise not required, any officer may be removed, either with or without cause, and his or her successor shall be elected or designated, in the event such Board member was designated by Sponsor or its designee or by the Commercial Unit Owners.

5. Liability of the Board and the Unit Owners

To the extent permitted by applicable law, Board members shall have no liability to the Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of the bad faith willful misconduct, illegal acts, fraud or gross negligence of such member.

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P. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD

1. Sales and Leases of Units

Each Residential Unit Owner may sell his or her Residential Unit, or lease such Unit for terms of one year or more, provided, in each case, (1) the sale or lease is in compliance with all other terms of the By-Laws, including without limitation, the requirement that purchasers of Unsold Residential Units may not sell or lease their Residential Unit for one year from the closing of such Residential Unit, and (2) such Unit Owner first gives the Board notice of intention to sell or lease such Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be, unless the conveyance is exempt from the right of first refusal as set forth in Article 8 of the By-Laws. In connection with provision (2) above, the Board shall then have the right to purchase or lease the 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 set forth in Article 8 of the By-Laws. If the Board does not elect to purchase or lease the Unit within 20 days after receipt of the notice, or waives such election in writing, the Unit Owner will have 60 days thereafter to consummate the transaction set forth in the contract of sale or lease with the prospective purchaser or lessee, as the case may be, as more particularly set forth in Section 8.1 of the By-Laws. In the event that such sale or lease is not consummated, or if such contract or lease is renegotiated or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Residential Unit Owner, the Residential Unit Owner will be required again to offer the same first to the Board. If the Board does elect to purchase or lease the Unit, the Board will have 60 days thereafter to consummate the transaction. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the contract of sale or lease are later than 60 days, the Board will be required to consummate the transaction on the date set forth in the contract of sale or lease. The Board may not exercise its option to purchase any Residential Unit or lease any Residential Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

In connection with the foregoing, the Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, gender, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The Board shall have the authority to impose, in its discretion, from time to time, move-in and/or transfer fees, and other fees and charges (which as to any lease may be a one-time payment or a continuing assessment in the discretion of the Board), in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or any designee of Sponsor.

If a Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock, or if a Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or

other entity, in each case other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board for purchase or lease, as described above.

Further, in the event that title to a Residential Unit is taken by a corporation, partnership, limited liability company or other entity, the name of a principal of said entity shall be identified to Sponsor.

Notwithstanding the foregoing, without complying with the foregoing restrictions, a Residential Unit Owner may sell, lease or convey his or her Residential Unit, and the owner of any interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity, may sell, lease or convey such interest, to an affiliate or one or more family members, as hereinafter defined, or convey a Residential Unit or interest in a Residential Unit Owner, as the case may be, by gift, or devise it by will, or have it pass by intestacy. (An "affiliate" is defined for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and beneficial interest, and "family member" is defined for purposes hereof as a spouse, domestic partner, adult child, parent or adult sibling, or a trust for the benefit of any one or more of the foregoing and/or one or more minor children of any of the foregoing.) Article 8 of the By-Laws more specifically describes the right of first refusal and those situations in which a Unit Owner may sell or convey his or her Unit to a related or controlled individual or entity.

The restrictions upon the sale or lease of Residential Units shall not apply to Sponsor or its designee with respect to any Unsold Residential Units, to the Board, or to any Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, or to the Commercial Units or the Commercial Unit Owners; such Units may be sold to anyone without first being offered for sale to the Board.

Each conveyance of a Unit by the Owner thereof shall include as part of the property to be conveyed, such Unit Owner's (i) undivided interest in the Common Elements, (ii) undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit) and (iii) undivided interest in any other asset of the Condominium. No part of a Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest appertains or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. In addition, the Board may establish reasonable fees for the processing of such offers for sale or lease, and for the consideration or waiver of a right of first refusal, which shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee) to the Managing Agent, which fees may be cumulative.

2. Use of Residential Units and Storage Bins

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit including, without limitation, as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, or any enterprise having similar attributes; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Residential Units may only be leased in accordance with the By Laws and the Rules and Regulations.

There is no limit on the number of Unit Owners who may purchase a Residential Unit for investment, rather than for personal occupancy, purposes. As such, there may always be a substantial percentage of Residential Unit Owners who are non-residents of the Condominium.

Subject to the certificate of occupancy for the Building, Legal Requirements, and the By-Laws, a Storage Bins may only be used for storage purposes by a Residential Unit Owner or a tenant of a Residential Unit. In no event may any of the Storage Bins be used as a dwelling space or for storing property which (a) constitutes an inflammable, combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. No materials which pose a health or safety threat or which otherwise create a nuisance may be stored in the Storage Bins. To do so may result in a violation placed against the Building by the Department of Buildings what will be the obligation of the licensee to remove. Those Rules and Regulations of the Condominium which are applicable to a Residential Unit and/or the Residential Unit Owner shall also be applicable to a Storage Bin and/or a Storage Bin Licensee. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins for any lawful purpose, to change the permitted use of any unlicensed Storage Bins or to license any unlicensed Storage Bins to any individual or entity subject, however, to the provisions of the Declaration. Additional rules and regulations regarding the use of the Storage Bins are contained in the Storage Bin License Agreement, the form of which is set forth in Part II of this Plan.

Holders of Storage Bin Licenses will be responsible for all costs and expenses associated with the operation of the Storage areas and will be required to pay an initial monthly

license fee to the Condominium in an amount equal to $1.00 per month per square foot (as shown on Schedule A-1) of such Storage Bin, which amount shall be subject to increase based on the percentage increase in subsequent Schedule B budgets approved by the Board, or otherwise as the Board deems necessary in its discretion. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to Common Charges. Sponsor shall not be obligated to pay Storage Bin License Fees for the Unsold Storage Bins or any maintenance costs other than Sponsor's obligation to pay Common Charges for any Unsold Residential Units. Sponsor makes no representation whatsoever regarding the future license fees to Storage Bin Licensees or to the availability of such Storage Bin Licenses.

Since the Storage Bins are located at the Cellar Level, a below grade area, neither the Board nor Sponsor can make any representation that the Storage Bins will remain dry or will not experience any water infiltration and neither the Condominium Board nor Sponsor will be responsible for any damage to items stored within the Storage Bins. Storage Bin Licensees who store items in the Storage Bins do so entirely at their own risk and Unit Owners are advised to consult with their insurance brokers regarding appropriate coverage for such stored items.

During the First Year of Operation or within the 12 months afterwards it is anticipated that the Storage Bins will be completed and, as a result, Storage Bins may not be completed or available for use at and for a period of time following the closing of title to any particular Unit. However, a Purchaser who has executed a rider to his or her Agreement to purchase a Storage Bin License will be required to consummate the purchase of its Unit and the Storage Bin License, without credit or offset, notwithstanding that the Storage Bin for which any such license pertains is not substantially complete, or not yet covered by a temporary certificate of occupancy, or not available for Purchaser's use at such time provided, however, that in such event the amount of the purchase price of the Storage Bin License will remain in the Escrow Account and not be released to Sponsor until completion of the Storage Bin, as evidenced by the issuance of a certificate of occupancy covering the Storage Bin. Further, until a temporary or permanent certificate of occupancy covering a given Storage Bin has been issued and the use of the Storage Bin is made available to its Purchaser, applicable monthly license fees for the Storage Bin License will not be collected from Purchaser.

If a licensee of a Storage Bin defaults in its obligations under the Storage Bin License or under the Condominium Documents, the Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Storage Bin until such licensee cures such default, or (ii) terminate the Storage Bin License upon thirty (30) days written notice to such licensee.

Sponsor reserves the right to offer as many, or as few, Storage Bin Licenses as it determines in its sole discretion. In addition Sponsor reserves the right to limit the number of Storage Bin Licenses sold to any one Purchaser or to make bulk sales, as it as it determines in its sole discretion.

3. Issuance and Assignment of Storage Bin Licenses

Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue licenses for Storage Bins and to retain the proceeds thereof.

Thereafter proceeds from the assignment of a Storage License shall be retained by the assignee of such Storage License. Upon the initial sale, the Board constitutes the licensor of the Storage Bin and shall be entitled to collect license fees.

To protect the security of the Building, any Storage Bin Licensee must also at all times be the owner of a Residential Unit, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee (and Sponsor may permit the use of an unlicensed Storage Bin by any party); or (ii) to Storage Bin Licenses held by the Board as Storage Bin Licensee or its designees. Notwithstanding the foregoing, a Storage Bin Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the license for such Storage Bin, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

If at any time a Storage Bin Licensee sells or leases its Residential Unit and no longer owns any Residential Units in the Building, it shall simultaneously assign its Storage Bin License to another owner of a Residential Unit, and if it fails to do so, the Storage Bin License shall automatically terminate without any action or notice required by the Board at such time as a Storage Bin Licensee no longer owns a Residential Unit. If a Storage Bin License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to the Storage Bin License Agreement, or if a Residential Unit Owner surrenders its Storage Bin License without assigning such Storage Bin License to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for such Storage Bin, upon terms and conditions determined in its sole discretion and without compensation to such Storage Bin Licensee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage Bin License.

Upon the issuance of a Storage Bin License to a Unit Owner, such Unit Owner may assign such Storage Bin License provided: (i) the assignee is a Residential Unit Owner at the Condominium and assumes the obligations under the Storage Bin License Agreement pursuant to an assignment and assumption agreement in the form annexed to the Storage Bin License Agreement, (ii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time (which assignment shall require and be effective only upon the consent of the Condominium Board, which consent shall be granted provided the terms of the Storage Bin License Agreement regarding assignments have otherwise been complied with), and (iii) no outstanding monies are owed to Sponsor and/or the Condominium by the Storage Bin Licensee and/or the assignee.

4. General Provisions with Respect to Use

No portion of a Residential Unit, other than the entire Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. Legal Requirements relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever shall, pursuant to the Declaration and/or By-Laws or otherwise, have the obligation to maintain or repair such portion of the Property.

The Rules and Regulations concerning the use of the Units may be amended from time to time by the Board, provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. Further provisions with respect to the use of the Units are set forth in the By-Laws and the Rules and Regulations. However, no amendment of the Rules and Regulations will apply to Sponsor, the Commercial Units or the Unsold Residential Units, unless agreed to by all the owners of same who are affected by such amendment.

Window limit stops installed at each window appurtenant to a Residential Unit permit the window to only be opened by approximately four (4) inches. Unit Owners are not allowed to remove or dismantle such window limit stops other than where permitted by law.

All Unit Owners are required to maintain the smoke/carbon monoxide detector located within his or her Unit so that same is, at all times, in working order.

5. Mortgage of Units by Unit Owners

Each Unit Owner (including the Commercial Unit Owners) may mortgage his or her Unit, in accordance with the provisions of Article 7 of the By-Laws, which requires that the Board be notified in writing of the making of such mortgage and receive a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages. The Commercial Unit Owners may mortgage the Commercial Units without any restriction or limitation.

6. Common Charges: Determination and Assessment

At least once per year, the Board will prepare or cause to be prepared a budget setting forth its projections of the Common Expenses for the next fiscal year and will allocate and assess the Common Expenses among the Units. The Common Charges payable by each Unit Owner will be in proportion to the Unit's percentage Common Interest compared to the total of all Units. As discussed in the footnotes to Schedule B and in Article 6 of the By-Laws, the Commercial Unit Owners' share of Common Expenses will be limited to a share of only certain components of the Common Expenses.

The respective Common Interests of the Units, as estimated by Sponsor, have been allocated to each Unit 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 Section 339-i(1)(iv) of the New York State Real Property Law.

The Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise determined by the Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

7. Collection and Lien for Non-Payment of Common Charges

Unit Owners may not exempt themselves from liability for Common Charges by

waiving use of any of the Common Elements or by abandoning their Units. No Unit Owner, however, will be liable for the payment for any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in Section 6.2 of the By-Laws, a Unit Owner, by conveying his or her Unit (without consideration) to the Board and provided that such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided no amounts are owing under any such lien) and that no violation of the Declaration, the By-Laws or the Rules and Regulations then exists with respect to such Unit, may be exempt from Common Charges thereafter accruing.

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit; except that, to the extent then permitted by law, a Permitted Mortgagee acquiring a Unit at a foreclosure sale will not be liable for a lien for the payment of Common Charges assessed against such Unit for the period following the recording of the Permitted Mortgagee and prior to such Unit's acquisition by the Permitted Mortgagee. 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. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges together with interest thereon, assessed against such Unit. All such liens, however, except to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Board may assess Unit Owners a late charge of $.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month (or such lesser rate as may be the maximum permitted by law) on such unpaid amounts, plus any "late charges" theretofore collected, and plus all expenses of collection. Sponsor obligates itself to cause any members of the Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Residential Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

8. Borrowing by Board

The Board may, at any time, borrow money on behalf of the Condominium when

required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least 66-2/3% in common interest of all Unit Owners or Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Common Elements, respectively, if such borrowings are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior periods) at any one time; and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on any other Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit, and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth above and all other dollar amounts referenced elsewhere in the By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor (as described in the By-Laws).

9. Repairs to and Maintenance of Units and Common Elements

Except as may otherwise be provided in the Declaration and By-Laws, generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, or ordinary or extraordinary: (a) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Owner of such Unit at his or her expense; and (b) in or to the General Common Elements will be made by the Board, and the expense thereof will be charged to the Unit Owners as a Common Expense; or (c) in or to the Residential Common Elements will be made by the Board and the expense thereof will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating and air conditioning units in their respective Units. Notwithstanding the foregoing, each Residential Unit Owner shall be responsible for all ordinary maintenance and cleaning of each Terrace appurtenant to its Residential Unit; however, the cost and expense of any repairs or replacements, including those that are structural with respect to each such Terrace

(unless caused by or attributable to the applicable Unit Owner), shall be charged to all Residential Unit Owners as a Residential Section Common Expense. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces.

Each Unit Owner shall promptly comply with all Legal Requirements applicable to his or her Unit. No Unit Owner shall use or permit the use of Hazardous Materials (as defined in the By-Laws) on, about, under, or in his or her Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any Hazardous Material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property.

The Building does not feature a window washing rig. The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the building's windows.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Board shall be paid by such Unit Owner.

In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Unit Owner will be required to install and maintain window treatments having a white or light, neutral-colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Unit may be altered, colored or painted.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of

such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. (See subsection entitled "Rights of Access" below.)

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all Legal Requirements.

Certain Residential Units as identified on the Floor Plan in Part II hereof will feature fireplaces. The fireplaces will be gas burning. Each such fireplace and all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts.

10. Alterations and Improvements of Units

No Unit Owner may make any alteration, addition, improvement or repair in or to such Unit Owner's Unit that affects the structure of the Building and/or the Building's systems without the prior written approval of the Board but, as more fully set forth in the Declaration and By-Laws; however, this provision does not apply to an Unsold Residential Unit. Except as otherwise permitted in the Declaration and By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work. Moreover, until a permanent certificate of occupancy is obtained for the Building, no Residential Unit Owner shall make any alteration, addition, improvement or repair in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's requirements with respect to the same as more fully set forth in Subsection 6.7.7 of the By-Laws. The Board shall require the Residential Unit Owner performing any alteration, addition, improvement or repair to comply with Sponsor's requirements relating to such work and any impact on the permanent Certificate of Occupancy. So long as a permanent Certificate of Occupancy is not yet obtained, the foregoing Residential Unit Owner obligations shall continue notwithstanding that no Unsold Units remain.

As more particularly set forth in Article 6 of the By-Laws, the Commercial Unit Owner may make alterations, additions, improvements and repairs in or to its Commercial Unit (including any decorations that are compatible with the first class character and location of the Building) without obtaining the approval of the Board, except for Alterations which would affect the structural, mechanical, electrical or plumbing elements of the Building, or the exterior appearance of the Building. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any Alteration which requires the Board's approval, such dispute shall be submitted to arbitration in accordance with the By-Laws.

The Board, at its option, may require a Unit Owner to execute an agreement in form

and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit is required by the By-Laws to: (i) obtain such insurance as the Board or the Managing Agent may require; (ii) indemnify the Board, all other Unit Owners and the Managing Agent against any liability arising from the work; (iii) reimburse the Board for its architectural, engineering and legal fees incurred in connection with such work; (iv) employ such architects, engineers, contractors, workers, suppliers and other laborers who are reasonably acceptable to the Board and Managing Agent; and (v) perform such work in a manner which will not interfere with, or cause any labor disturbances or stoppages (which may result from, among other things, the use of non-union labor) in, the work of Sponsor, the Board, or other contractors or subcontractors employed by such parties or otherwise in the Building. In addition, no work or change by or on behalf of a Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued.

The foregoing restrictions affecting Units shall not apply to Sponsor or its designee in respect of the Unsold Residential Units. There are no restrictions on the ability of Sponsor or its designee to alter or improve any Unsold Residential Unit (including, without limitation, dividing, subdividing and combining one or more Unsold Residential Units or portions of same).

Furthermore, an initial purchaser of an Unsold Residential Unit shall have the right, without the approval of the Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion. In no event shall Sponsor's consent to any alterations exempt such work from Sponsor's rights to impose additional requirements where such work could impact Sponsor's ability to obtain a permanent Certificate of Occupancy for the Building.

Any alteration, addition, improvement or repair in or to a Unit, or any Common Elements must comply with all Legal Requirements.

11. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence,

including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

Notwithstanding the foregoing, elevator landings which serve fewer than three Residential Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Residential Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may be granted or withheld in the Board's sole discretion. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Residential Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same. In addition, as set forth in the By-Laws and to the extent permitted by law, the Residential Unit Owner or Residential Unit Owners serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Residential Unit or Residential Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Residential Unit or to any other portion of the Common Elements shall, with the consent of the Board (which consent may be withheld in the Board's sole discretion, but shall not be required if the Residential Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such Residential Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use.

The Owner of any Residential Unit constituting the only Residential Unit on a given floor of the Building shall have the exclusive right to use the elevator vestibule on that floor, as if such Common Element was a part of such Unit; provided however, that (i) such Unit Owner, at its sole cost and expense, shall be responsible for the operation, maintenance and repair of that portion of the Common Elements, (ii) such use shall be in compliance with all Legal Requirements, and (iii) the Owner shall not be permitted to block emergency exits or fire doors, or make any permanent installations or alterations that would impede emergency egress to or through such floor (e.g., furniture must be of a movable nature) or interfere with the Board's exercise of its easements over Common Elements, including with respect to the ability to access such floor for as may be

required from time to time for maintenance, repair, or replacement concerning any Unit or Common Element.

In addition, Sponsor (or its designee or other owner of Unsold Residential Units) and the Commercial Unit Owner shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or the operation of any business of Sponsor, a tenant, or occupant managing agent include, but not limited to, signs on the facade of the Building. Sponsor (or its designees) and its successors and assigns, or the Board shall also have the right to install plaques and signs and tenant and resident directories in and about the residential lobbies of the Building to identify the owners or occupants of the Units, and Sponsor (or its designee) shall have the right to install flap banners on portions of the Building exterior in connection with the marketing and sale of Units in and on any awnings, canopies or other protrusions from the façade of the Building.

12. Rights of Access

As more fully set forth in the Declaration and By-Laws, the Board and any managing agent, manager and other persons authorized by the Board will have a right of access to any Unit for the purposes, among others, of: (a) making inspections of, or removing violations of governmental laws or regulations against, any part of the Property; (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the owner of such Unit; (c) performing maintenance (including window washing), installations, alterations, repairs or replacements to the mechanical plumbing or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; or (d) correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

In the event that the Board or any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by the Board or Unit Owner, or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, Article 6 of the By-Laws provides for certain specified rights to perform such maintenance or repairs or cure such breach.

13. Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration, By-Laws and Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure so to comply will be grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the initial form of Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

14. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, improvements, furnishings and other personal

property not constituting a part of such Unit).

If the insurance proceeds are insufficient to cover the cost of repairs or restoration, Unit Owners may be assessed for such deficiency. If there is a surplus of insurance proceeds, the surplus shall be paid to Unit Owners in accordance with the following paragraph, except that no payment shall be made to a Unit Owner until there has first been paid out of his or her share, such amounts as may be necessary to reduce unpaid liens on his or her Unit, other than Permitted Mortgages, in the order of priority of such liens.

If only the Residential Units and/or the Residential Common Elements and/or Residential Limited Common Elements are 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 by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Units, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed $1,000,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee pursuant to the provisions of Sections 6.4 and 12.7 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. Sponsor's construction lender shall have the right to be the initial insurance trustee and shall have the right to continue to serve as such for so long as the Construction Loan (as hereinafter defined) is outstanding.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were 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 the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

15. Insurance

Under Section 6.4 of the By-Laws, until payment of the debt under the mortgage security Sponsor's Construction Loan (the "Construction Mortgage") is made in full or until such Construction Mortgage is assigned by Construction Lender to Sponsor's designee, whichever occurs first, the Board must comply with the obligations of the Construction Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period). However, all such policies will include coverage of at least the types and in at least

the limits as are set forth in the Notes to Schedule B – "Projected Budget for the First Year of Condominium Operations".

Furthermore, under Section 6.4 of the By-Laws, subject to the provisions of the preceding paragraph, the Board is required to obtain and maintain, to the extent obtainable at commercially reasonable premiums and to the extent determined by the Board to be appropriate, the following insurance: (a) all risk property insurance with common coverage extensions insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, improvements, decorations, appliances within the Unit or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the 100% replacement cost value of the Building (exclusive of foundation and footings), without deduction for depreciation. Such insurance shall include coverage for plate glass to the extent if any determined by the Board, as well as flood (including sewer backup) and earth movement coverage (which may contain a sublimit per occurrence and in the annual aggregate). Such insurance policy shall not include a co-insurance provision; (b) boiler and machinery insurance on a replacement cost basis with limits of not less than Building Limit for all mechanical and electrical equipment against physical damage and rent loss, covering the interests of the Condominium, the Board, Unit Owners and Permitted Mortgagees, as their respective interests may appear. Such insurance policy shall not include a co-insurance provision; (c) commercial general liability insurance against claims for personal injury, death or property damage as well as owned, hired and non-owned automobile liability occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, and including products and completed operations liability coverage all covering: (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence and $2,000,000 annual aggregate for this location, with umbrella liability coverage of at least $25,000,000 and at no time and in no event during this time period shall such general liability insurance afford protection to the limit of less than such amounts; (d) workers' compensation and New York State disability benefits insurance as required by applicable law; provided, however, that if the Board does not have any direct employees, such insurance may be purchased if the Board so determines on an "if any" basis; (e) crime or fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing with limits of not less than $250,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (f) directors' and officers' liability coverage with limits of not less than $1,000,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building; (g) terrorism coverage; and (h) such other insurance as the Board may determine advisable or necessary from time to time.

Any of the coverages required to be maintained by the Board may be satisfied by

any so-called builder's risk policy obtained by Sponsor in connection with Sponsor's construction work at the Building, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

The amount of fire insurance and all risk property insurance with common coverage extensions to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 of the By-Laws to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property (or such lesser amount as may be provided for in the Notes to Schedule B – "Projected Budget for the First Year of Condominium Operations".)

All such policies of physical damage insurance which the Board is required to maintain shall contain, to the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party, to the extent of their respective interests, and contain waivers of subrogation and waivers of any defense based on: (i) co-insurance; (ii) other insurance; (iii) invalidity arising from any acts of the insured; or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine, taking into account market conditions and/or any such conditions that may be required by the holder of a mortgage covering the Building. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in such proportions as are equitable (as determined by the insurance carriers thereof or their agents, brokers or such other parties designated by the Board).

The Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain (i) a personal liability policy if such Unit Owner is an individual or (ii) commercial general liability insurance if such Unit Owner is a corporate entity, against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive and/or appurtenant to his or her Unit affording protection of at least $1,000,000 per occurrence, plus at least $4,000,000 umbrella liability coverage. Further requirements with respect to such insurance are more particularly set forth in the By-Laws. In addition, all Unit Owners are required to obtain property and casualty insurance with respect to the fixtures, furniture, improvements, furnishings and other personal property located within their respective Units. Purchasers are also advised that the insurance

policies to be maintained by or on behalf of the Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. All insurance policies required to be maintained by the Board will be on a "replacement cost" and will not cover losses to the extent that market value may exceed such replacement cost.

All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

16. Liability of Board of Managers and Unit Owners

Every contract made by the Board, any officer of the Condominium, or the Managing Agent shall state that: (a) it is being executed by such party only as agent for all Unit Owners, and such Board members, officer or Managing Agent 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: (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and (ii) to the extent permitted by applicable Legal Requirements, or as otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest.

To the extent permitted by applicable Legal Requirements, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each Board member against any liability or claim except those arising out of the bad faith, willful misconduct, illegal acts, fraud or gross negligence of such member. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance or bonds) at all times from and after the First Closing, and the premiums on such insurance or bonds shall constitute Common Expenses.

17. Amendments to Condominium Documents

Generally, subject to the provisions contained in the Declaration and By-Laws with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee), any Unsold Residential Units, or the Commercial Units or the Commercial Unit Owners, and provided that required consents of the Residential Mortgagee Representatives, if any, are obtained: (a) any provision of the Declaration, the By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or

delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Commercial Units or the Commercial Unit Owners may be amended, modified, added to or deleted by the affirmative vote 51% in Common Interest of the Commercial Unit Owners); provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Unit Mortgagee Representative, if any; (c) any provision of the

Declaration, these By-Laws or the Rules and Regulations affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

Notwithstanding the foregoing and subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Residential Units or Permitted Mortgagees, no amendment, modification, addition or deletion pursuant to the provisions of clause (a) or (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative(s), if any.

Notwithstanding any provision contained herein or the Declaration or By-Laws to the contrary, no amendment, modification, addition to or deletion of the Declaration, the By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one of more Units, or any Unsold Residential Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto; of (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Residential Unit unless such holder has given its prior written consent thereto.

Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, the By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within 10 Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within 10 Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The foregoing shall not apply to notices given to Sponsor or any other holder of Unsold Residential Units requesting Sponsor's or such holder's consent to a proposed amendment or modification.

18. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless the Condominium shall be terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time, if any, as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 80% in both number and aggregate Common Interests of all Unit Owners as set forth in the Declaration and the By-Laws.

Sponsor will not vote its interests appurtenant to Unsold Residential Units in favor of such withdrawal unless at least eighty percent (80%) in number and aggregate Common Interests of all other Unit Owners elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

In the event of withdrawal of the Property from condominium ownership, and only to the extent the waiver of the right of partition shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

19. Units Acquired by the Board

All Units acquired or leased by the Condominium Board (including a Commercial Unit) or its designee shall be held by the Condominium Board, or its designee, on behalf of all Unit Owners. 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 Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit in proportion to its respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit and thereafter refinance the same; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant interest in the Common Elements.

20. Procedure to Review Real Estate Tax Assessments

The Board, on behalf of and as agent for all Unit Owners will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units owned by such Unit Owners. All such Unit Owners will share, and indemnify the Board as to the costs in connection with such proceedings and the benefits derived therefrom.

In the event any Unit Owner individually seeks to have the assessed valuation of his or her Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing such reduction, provided that such Unit Owner indemnifies the Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

21. Mechanics' Liens

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

22. Easements and Name of Condominium

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements, including easements in favor of Sponsor, other Unit Owners and the Board. These easements, which are more particularly set forth in Articles 13, 14 and 15 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the use of any of the Units or Storage Bins for their permitted purposes.

In addition, Sponsor and the owner of any Unsold Residential Units shall have an easement to erect, maintain, repair and replace any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") permitted by law on the Property (including, without limitation, on its roof and exterior walls) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

23. Signage

There will be signs, notices, advertisements and illuminations (collectively "Signage") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor, and/or the Board and the Commercial Unit Owner, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto.

24. Sponsor's Right to Lease Unsold Residential Units

Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder following consummation of the Plan. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the 15% of Units necessary to declare the Plan effective (i.e. two Residential Units) and owner-occupants may never gain effective control and management of the condominium.

25. Sponsor's Construction Loan

Sponsor has obtained a construction loan encumbering the Property from Bank Hapoalim B.M. (the "Construction Loan"), having an address at 1120 Avenue of the Americas, New York, NY 10036. Sponsor's construction financing does not contain a minimum number or percentage of units which must be under contract before the Plan can be declared effective. Sponsor's construction financing contains minimum release prices set by lender and a required minimum payment per sale which must be made to the lender in order for the lender to release its lien from the unit being sold. The construction loan does not establish an explicit requirement that the Sponsor sell rather than rent Units. Purchasers are advised that should the Construction Lender assume Sponsor's obligations hereunder pursuant to the Construction Loan, such event shall not be deemed material and adverse and will not give rise to a right of rescission.

26. Prohibition on Smoking

The Condominium shall be a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Residential Units, on Terraces appurtenant to Residential Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under Section 6.19 of the By-Laws, including, without limitation, the imposition of fines and penalties as the Board may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

27. Litigation

The Condominium Board shall not bring any litigation except to enforce the Declaration or By-Laws without first receiving the written approval of the owners of three-quarters of the Units and the owners of three-quarters of the percentage interests in the Common Elements.

28. Restrictions on Pets

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance,

health hazard or unsanitary condition) shall be permitted, kept or harbored in a Unit unless the Board or the Managing Agent in each instance has expressly consented in writing (which writing may be in the form of an email). Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, for cause. A Residential Unit Owner may keep as pets in his or her Unit not more than two (2) domestic dogs each weighing no more than 90 lbs., domestic cats, caged birds and fish, nor shall any dog of an aggressive breed be permitted within the Building, unless the Board or the Managing Agent in any and each of the foregoing instances has expressly consented in writing (which writing may be in the form of an email), provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined an amount to be determined by the Board. 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. Each Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

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Q. REAL ESTATE TAXES

The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation, is based upon a letter dated February 23, 2021 prepared by Goldberg Weprin Finkel Goldstein LLP, Sponsor's real estate tax expert, having an address at 1501 Broadway, 22nd Floor, New York, New York 10036, and takes into account the following assumptions and projections:

(a) that the First Year of Operation will commence July 1, 2023 and conclude June 30, 2024, and will consist of the 2023/2024 tax year;

(b) that the property will not be completed by the taxable status date of January 2023, and thus, for the 2023/2024 tax year, the property will be valued as a partially completed building;

(c) that the property will be reassessed as a fully completed structure for the 2024/2025 tax year;

(d) the assessed value for the property after construction is completed is $8,796,955; and

(e) a tax rate of 12.3% for both the 2023/2024 and 2024/2025 tax years.

The building will not be completed by the fiscal year 2023/2024, which is the first year of condominium operation. The Department of Finance would value the property as a partially completed building. Based on the projection and assumptions set forth above and in the real estate tax letter, Sponsor's real estate tax expert projects the real estate taxes for the 2023/2024 tax year, which is the first year of condominium operation, to be $571,650.

The building is projected to be completed by the fiscal year 2024/2025, which is the second year of condominium operation. It should be expected that for the second year of condominium operation, during which time the building will be valued as a fully completed structure for all twelve months, the real estate taxes payable for the Residential Units will be greater than the amounts set forth in the Schedule A. Based on the projection and assumptions set forth above and in the real estate tax letter, Sponsor's real estate tax expert projects the real estate taxes for the 2024/2025 tax year, which is the second year of condominium operation, to be $1,082,025.

No guarantee or assurance is given that: (i) any of the assumptions described above will be valid; (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First Year of Condominium Operation, the estimates of the portions of such assessed valuations that will be allocable to the Units and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount; (iii) the estimated or actual amount of assessed value of the Property following the projected First Year of Condominium Operation and the taxes payable based upon such assessment (which may be significantly higher to the extent that a portion of the Property is not fully assessed during such First Year); or (iv) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units or classifications of Units in accordance with the values used

by Sponsor's real estate tax expert for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Board a share of the Property's real estate taxes for the period in question calculated as follows: the total real estate taxes for the Condominium will be allocated on the basis of proportionate Common Interest. The Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I of this Plan for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed to each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in the By-Laws.

As more fully set forth in the By-Laws, the Board has the power to commence and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Residential Units on behalf of and as agent for the respective Residential Unit Owners provided such Unit Owners have authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Residential Unit Owners making such request to the Board will share the costs of such proceeding in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings. There are currently no tax certiorari

proceedings pending for the Building.

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R. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the Plan was prepared by Sponsor based, in part, upon the opinion of Holland & Knight LLP ("Sponsor's Counsel"), a copy of which opinion is included herein in the Section of the Plan entitled "Opinions of Counsel." Prospective Purchasers should refer to such opinion letter itself for a more detailed discussion of the tax consequences summarized below.

Prospective Purchasers should note that the opinion letter addresses certain 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 income tax purposes, as further described herein. It does not address, among other things, the tax consequences that might result from the ownership of a Residential Unit by a taxpayer who is not an individual resident of New York City for income tax purposes, including corporations and other entities, and foreign individuals and foreign entities. It also does not address the tax consequences that might result from the ownership of a Residential Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income. Further, the opinion letter does not address the tax consequences that might result from the ownership by any person or entity of a Storage Bin License or a Commercial Unit.

HOLLAND & KNIGHT LLP IS COUNSEL TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A UNIT.

1. Deductibility of Real Estate Taxes and Mortgage Interest

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

Generally, it is the opinion of Sponsor's Counsel that each Residential Unit Owner who is a resident of New York City for income tax purposes and who itemizes his or her deductions will, under the income tax laws and regulations in effect as of the date of this Plan, and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate;

and

(b) "qualified residence interest" paid by such Residential Unit Owner with respect to such Residential Unit.

Qualified residence interest includes interest paid by the Residential Unit Owner on debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence.

A "qualified residence" generally means: (i) the "principal residence" of the Residential Unit Owner and (ii) one other residence selected by the Residential Unit Owner, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such residence is rented at a fair value. For taxable years beginning after 2017 and before 2026, a Residential Unit Owner who itemizes deductions and who uses such Residential Unit as a qualified residence will be entitled under current Federal income tax law, to deduct from his or her gross income, interest paid by him or her on acquisition indebtedness incurred with respect to such Residential Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any) does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return). Notwithstanding the foregoing, with respect to indebtedness which was incurred before December 15, 2017, a taxpayer is permitted to deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness. For taxable years beginning after 2025, a taxpayer may deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness regardless of when such acquisition indebtedness was incurred.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances). The rules and limitations regarding the deductibility of home mortgage interest are complex and thus Purchasers are urged to consult their tax advisers regarding the application of such rules to them as well as regarding the deductibility of mortgage interest with respect to Residential Units for alternative minimum tax purposes (which, at present, is subject to rules different from those described above for regular tax purposes). Residential Unit Owners should consult their tax advisers regarding the effect of the alternative minimum tax.

Each Residential Unit Owner who uses such Residential Unit as a qualified residence will generally be entitled to the same deduction for mortgage interest and real property taxes paid or accrued with respect to such Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

2. Taxation of the Condominium

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of section 528(c) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") and, therefore, could elect to be exempt from Federal income tax on amounts received as membership dues, fees, or assessments from owners of condominium housing units ("exempt function income"). In order for a condominium board to qualify to make such an election, Internal Revenue Code section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least eighty-five percent (85%) of the total square footage of all the units within the condominium be used by individuals for residential purposes and that the condominium board meet certain gross income and expenditure tests.

It is currently anticipated that more than eighty-five percent (85%) of the total square footage of all the Units in the Condominium will be used by individuals for residential purposes. If such residential use requirement is in fact satisfied, and provided the other requirements of Internal Revenue Code section 528 are satisfied, the Board will be eligible to make this election. For any taxable year for which the Board is eligible to and does elect to be treated as a "homeowners association" under Internal Revenue Code section 528, the Board will be subject to (i) U.S. Federal income tax equal to thirty percent (30%) of its taxable income, which is defined as its non-exempt function income less allowable deductions (computed with certain modifications) directly connected with the production of such income and (ii) any applicable New York State and New York City income taxes.

The status of a condominium board for Federal, New York State, and New York City income tax purposes is uncertain where (i) the condominium board is not eligible to elect to be treated as a homeowners association under Internal Revenue Code section 528 or (ii) the condominium board is eligible to elect to be treated as a homeowners association under Internal Revenue Code section 528, but does not make such an election. Absent the application of Internal Revenue Code section 528, the Board could be viewed as an agent or conduit for Residential Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Board should be treated as a separate entity. In that case, it is unclear whether the Board would be taxable as a corporation or treated as a partnership. If the Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Board is treated as a partnership, the Residential Unit Owners (but not the Board) would be subject to Federal, New York State, and New York City income tax on their proportionate share of taxable income of the Board. In addition, in that instance, the Board may be subject to the New York City Unincorporated Business Tax. In determining the taxable income of the Board, the Board's deductions attributable to furnishing services to Unit Owners may be limited to their membership income. Certain amounts expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

No representations or warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the deductions mentioned in this Section of the Plan or that the tax laws or the regulations

or rulings issued thereunder, or any judicial interpretation thereof, upon which Sponsor's Counsel bases its opinion, will not change, possibly with retroactive effect. In addition, no warranties are given by Sponsor, Sponsor's Counsel, the Board, the Selling Agent, the Managing Agent or any other person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any such warranties.

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S. OPINIONS OF COUNSEL

1. TAX OPINION OF HOLLAND & KNIGHT LLP

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

February 25, 2021

1165 Madison Ave Owner LLC
c/o The Naftali Group
152 West 57th Street, 45th Floor
New York, New York 10019

Re: Condominium Offering Plan for
1165 Madison Avenue Condominium (the "Condominium")

To Whom it May Concern:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State, and New York City income tax purposes, of mortgage interest and state and local real property taxes paid by individual residents of New York City who purchase Units pursuant to the above-referenced Offering Plan (the "Plan"), and (ii) the Federal, New York State and New York City income tax treatment to the Condominium Board of the assessments payable by Unit Owners to meet common expenses of the Condominium ("Common Charges").

In connection with rendering these opinions, we have reviewed the Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the Regulations promulgated thereunder and such other material as we deemed relevant. The opinions expressed herein are based upon the assumptions that (I) the Plan is accepted for filing by the New York State Department of Law and is consummated in accordance with its terms, (2) condominium ownership of the Units located in the Condominium is established under applicable law, and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this op inion letter have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, situated on the east side of Madison Avenue between East 85th Street and East 86th Street and known by the street address of 1161-1171 Madison Avenue, New York, New York 10028. The Condominium will be known as the "1165 Madison Avenue Condominium." The Condominium will comprise 12 residential apartments (the "Units"), 12 Storage Bin Licenses, 2 Commercial Units and Common Elements (as defined in the Plan). This opinion letter addresses certain Federal, New York State, and New York City income tax consequences that would result from the ownership of a Unit by an individual who is a resident of New York City for income tax purposes. It does not address, among other things, ownership of Units by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities; the ownership by any individual or entity of a Storage Bin License or a Commercial Unit; the tax consequences

which may result with respect to any Units held in connection with a trade or business, for investment purposes or for the production of income; or the estate tax consequences of ownership of any Units.

Deductibility of Mortgage Interest and State and Local Real Property Taxes

Each Residential Unit Owner will own his or her Unit and an undivided interest in the Common Elements in fee simple and, under New York State Law, each Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for New York real property tax purposes. Each Residential Unit Owner may mortgage his or her Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness and will be liable to the local tax authority for the tax assessment with respect to his or her Unit. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the state and local real property taxes assessed and paid on his or he r interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300. For taxable years beginning after 2017 and before 2026, itemized deductions for state and local real property taxes are limited to $10,000 ($5,000 for a married taxpayer filing a separate return) in the aggregate, when combined with other state and local taxes as specified in Section 164 of the Code.

Based on the foregoing, and subject to the limitations expressed herein, it is our opinion that each individual Residential Unit Owner who itemizes deductions will be entitled under current Federal income tax law to deduct from his or her gross income the New York re a l property taxes assessed against his or her Unit and paid by the Residential Unit Owner to the local authority, subject to the limitation discussed above. No deduction for state and local real property taxes is permitted for purposes of the Federal alternative minimum tax. Residential Unit Owners should consult their tax advisers regarding the effect of the alternative minimum tax.

A taxpayer is entitled to a deduction, for Federal income tax purposes, for interest paid during the taxable year on "acquisition indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" generally means: (i) the principal residence of the taxpayer and (ii) one other residence selected by such taxpayer, provided that, if such other residence is rented at any time during the taxable year, it will not be a qualified residence unless the taxpayer uses it for personal purposes for a number of days which exceeds the greater of (i) fourteen (14) days or (ii) ten percent (10%) of the number of days during such year for which such residence is rented at a fair value. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer and which is used to acquire, construct or substantially improve the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt). For taxable years beginning after 2017 and before 2026, the aggregate amount treated as acquisition indebtedness for any period cannot exceed $750,000 ($375,000 in the case of a married individual filing a separate return). Accordingly, in general, an owner of a Unit who itemizes deductions and who uses such Unit as a qualified residence will be entitled, under current Federal income tax law, to deduct from his or her gross income, interest paid by him or her on acquisition indebtedness incurred with respect to such Unit to the extent that such indebted ness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $750,000 ($375,000 in the case of a married individual filing a separate return). For taxable years beginning after 2025, a taxpayer may deduct interest on up to $1,000,000 ($500,000 in the case of a married individual filing a separate return) of acquisition indebtedness regardless of when such acquisition indebtedness was incurred. Further, no deduction will

be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances).

The rules and limitations regarding the deductibility of home mortgage interest are complex, and thus, Residential Unit Owners are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of mortgage interest with respect to their Units for alternative minimum tax purposes (which is subject to rules diff e re n t from those described above for regular tax purposes) .

Each Residential Unit Owner who uses such Unit as a qualified residence will generally be entitled to the same deduction for mortgage interest and rea l property taxes paid or accrued with respect to such Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as mortgage interest and real property tax deductions, are subject to reduction by as much as 100% in the case of individuals having income exceeding certain prescribed levels.

Common Charges

Under the Plan, the Condominium Board will, from time to time, assess Common Charges against the Unit Owners, generally in proportion to their respective percentage interests in the Common Elements in order to pay the costs and expenses of operating, repairing, and maintaining all such Common Elements.

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Section 528(c) of the Code and, therefore, could elect to be exempt from Federal income taxes on amounts received as membership dues, fees, or assessments from owners of condominium housing units ("exempt function income"). In order for the Condominium Board to qualify to make such an elect ion, Section 528 of the Code and the Treasury Regulations promulgated thereunder require, among other things, that at least eighty-five percent (85%) of the total square footage of all of the units within the Condominium be used by individuals for residential purposes and that the Condominium Board meet certain gross income and expenditure tests.

It is currently anticipated that more than eighty-five percent (85%) of the total square footage of all of the units in the Condominium will be used by individuals for residential purposes. If such residential use requirement is in fact satisfied, and provided the other requirements of Section 528 of the Code are satisfied, the Condominium Board will be eligible to make this elect ion. For any taxable year for which the Condominium Board is eligible to and does so elect to be treated as a homeowners association under Section 528 of the Cod e, the Condominium Board will be subject to (i) U.S. federal income tax equal to thirty percent (30%) of its taxable income, which is defined as its non-exempt function income less allowable deductions (computed with certain modifications) directly connected with the production of such income and (ii) any applicable New York State and New York City income taxes.

Absent the application of Section 528 of the Code, the status of a condominium board for Federal, New York State, and New York City income tax purposes is not clear. If the Condominium Board does not qualify under Section 528 of the Code or if the Condominium Board does so qualify but does not elect to be treated as a "homeowners association" under Section 528 of the Code, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Residential Unit Owners ("membership income") and others ("nonmembership income") in excess

of applicable deductions and credits. It is possible that the Condominium Board could be viewed as an agent or a conduit for Unit Owners, in which case each Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium Board is treated as a partnership, the Unit Owners (but not the Condominium Board) would be subject to Federal, New York State, and New York City income tax on their proportionate share of taxable income of the Condominium Board. The Condominium Board, in such an instance, may be subject to the New York City Unincorporated Business Tax. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Unit Owners may be limited to membership income. Certain amounts expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments, may be treated as distribution to them.

We express no opinion concerning: (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion letter, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion letter, or (c) the tax status or tax consequences of the Plan, including the ownership of a Unit, under the laws of any state other than New York, any local jurisdiction other than New York City, or any foreign jurisdiction. Except as explicitly provided herein, this opinion letter does not address: (i) the tax consequences of the ownership of Units by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities; (ii) the tax consequences of the ownership of a Storage Bin License or a Commercial Unit; (iii) the tax consequences which may result with respect to any Units held in connection with a trade or business, for investment purposes or for the production of income; or (iv) the estate tax consequences of ownership of any Units. This opinion letter also does not discuss the tax consequences which may arise if Units or Common Elements are acquired by the Condominium Board or whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Unit. We advise, therefore, that each person contemplating the purchase of a Unit consult his or her own tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion letter.

It should be noted that these opinions are based solely on the facts and documents referred to above and are not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the Federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change, possibly with retroactive effect, and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion letter in the event of any such change in applicable law, although we have advised Sponsor that it is obligated to do so.

These opinions are not a guarantee; they are based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we base our opinions will not change, possibly with retroactive effect . In no event will we, Sponsor, the Condominium Board, a Selling Agent, the Managing Agent or any other person connected with the Plan be liable if there

are changes in the facts on which we relied in issuing this opinion letter or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above or which affect the tax treatment of the Condominium Board as described herein.

We hereby authorize the use of this opinion letter, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,



Holland & Knight LLP

2. REAL ESTATE TAX OPINION

GOLDBERG WEPRIN FINKEL GOLDSTEIN LLP

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February 23rd, 2021

The Carnegie Hall Tower
152 West 57th Street 45th Floor
New York, N.Y. 10019

Re: Opinion Letter
48 East 86th Street
Block: 1497 Lot: 53
Borough of Manhattan

Gentlemen:

You have requested our opinion as to the following:

1) An estimate of the possible assessed value and real estate taxes for the property after the construction of the premises and subsequent transfer to a Condominium Association.

2) An estimate of the real estate taxes for the residential and commercial portions of the property after construction and transfer to a Condominium Association.

The property is a vacant lot approximately 3,746 square feet. You plan to construct a 13-story Class-A elevator building approximately 70,636 square feet above grade with 12 residential units and 2 retail units. The retail units will be 3,745 square feet in total. There will be 12 storage units approximately 227 square feet. The hard cost of construction is $48,039,000 and the soft cost of construction is $14,176,000. You began construction of the building in March 2021 with an estimated completion date of December 2023.

The setting of an assessed value is a subjective determination of an assessor. In determining the assessed value, the assessor will take into consideration the estimate of rental values, an estimate of expenses for the operation of this property, and a capitalization rate (rate of return). The assessor, armed with this information, will arrive at an assessed value. There is no hard and fast formula for setting an assessed value. Differences in estimating rental value, operating expenses and different capitalization rates will create differences in assessed value. Sometimes these differences, even small differences, can markedly change the assessed values.

The Department of Finance published the 2021/2022 Tentative Assessment Roll on January 15th, 2021. The property is assessed in Tax Class 4 for fiscal tax year 2021/2022. After completion of the construction there will be 2 Commercial units and 12 Residential units. The Commercial unit will be assessed in Tax Class 4, whereas the Residential Units will be assessed In Tax Class 2. Tax Class 2 consists of primarily residential rental, cooperative and condominium buildings with more than 10 units. Tax Class 4 includes all other types of commercial properties (office buildings, warehouses, factories etc.).

The City assessment policy ratio for properties in Tax Classes 2 and 4 is to assess at 45% of fair market value. Increases in assessed values, except for increases due to physical changes, are required to be phased in over a five-fiscal tax year period. Equalization increases in assessed value are phased in the transitional assessed value system. The taxable value is the lower of the actual or transitional assessed value.

The recent history of assessed valuations of the Property is as follows:

Tax Year 2017/2018	Land	Total
Actual:	$1,620,000	$5,282,550
Transitional:	$1,620,000	$4,786,577
Tax Year 2018/2019	**Land**	**Total**
Actual:	$1,620,000	$5,257,800
Transitional:	$1,620,000	$5,003,550
Tax Year 2019/2020	**Land**	**Total**
Actual:	$1,620,000	$5,255,550
Transitional:	$1,620,000	$5,189,400
Tax Year 2020/2021	**Land**	**Total**
Actual:	$1,620,000	$5,264,100
Transitional:	$1,620,000	$5,189,400
Tax Year 2021/2022	**Land**	**Total**
Actual:	$1,539,000	$1,539,000
Transitional:	$1,603,800	$1,603,800

The New York City Department of Finance Real Property Assessment Division currently employs three recognized methods of appraisal in order to arrive at an assessed value. These methods are the cost of construction method, the capitalization of pre real estate tax net income method and the comparable sale price method.

The cost of construction method is based on the idea that the value of a property is reflected by the hard and soft costs of construction, plus the cost of the land.

Capitalization of pre real estate tax net income is based upon the principal idea that the estimated pre real estate tax net income generated by the property, divided by the rate of return (adjusted for the payment of real estate taxes), yields an estimate of market value.

The comparable sale price method arrives at a value by surveying market prices of similar type properties. In setting an assessed value, the assessor will typically use one, two or a combination of all three methods to arrive at an assessed value.

Based upon information provided to us, by your office, we estimate the assessed value of this building after construction is completed and subsequent transfer to an entity owned by a condominium association to be **$8,796,955.**

In preparing our estimate we have relied upon the capitalization of pre real estate tax net income to set the assessed value. We believe the capitalization of net income is the most reliable method to set an assessed value. Set forth below is our analysis and estimate.

Capitalization of Pre-Real Estate Tax Net Income

		Income and Expenses Per Square foot
Estimated Gross Income for 13- story 70,636 square foot Class-A Elevator building with 12 Residential Units and 3 Retail Units	$3,884,980	$55.00
Estimated Expenses - (based on Sponsor's estimate for the first year) before real estate taxes and management, adjusted for legal and accounting, repairs and maintenance fees, miscellaneous expenses, painting and decorating fees, water/sewer taxes and a reserve for replacement	$1,437,445	$20.35
Pre-Real Estate Tax Net Income	$2,447,535	
Equalized Cap Rate @ 7.00 plus 45% of the 2020/2021 Class 2 tax rate of 12.267 per hundred	12.520%	
Estimated Full Market Value Rounded	$19,548,790	
Estimated Assessed Value @ 45% of Market Value	$8,796,955	
Estimate Class 2 Tax Rate of 12.30 per hundred multiplied by estimated Assessed Value = estimated Real Estate Tax rounded	$1,082,025	

The estimated real estate taxes are based upon the taxing authority assessing a fully constructed, occupied building and are not intended to reflect real estate taxes for a building still under construction.

Estimated Real Estate Taxes for Residential and Commercial Units of the Condominium

Based upon the information provided to this firm from your office the condominium will be divided as per the following percentage of common interest for the units:

Residential 93.93%
Retail 6.07%

Based upon the above percentage of common interest the real estate taxes would be as follows:

Residential

Residential Component Assessed Value	$8,262,980
Estimate Class 2 Tax Rate of 12.30 per hundred multiplied by estimated Assessed Value = estimated Real Estate Tax rounded	$1,016,347

Commercial

Commercial Component Assessed Value	$533,975
Estimate Class 4 Tax Rate of 10.50 per hundred multiplied by estimated Assessed Value = estimated Real Estate Tax rounded	$56,067

Note the projected Real Estate Taxes upon completion is estimated to be $1,082,025. Assuming the Department of Finance apportions the property into the individual condominium lots, we estimate aggregate of the real estate taxes of the individual lots of the condominium to be $1,072,414. The difference is once the lots are apportioned the residential lots will be taxed at Tax Class 2 tax rate and the retail unit will be taxed at the Tax Class 4 tax rate.

Estimated Real Estate Taxes for the first year of operation the period from July 1st, 2023 to June 30th, 2024

You have requested the estimated real estate taxes for the Condominium for the first year of its operation, the period from July 1st, 2023 to June 30th, 2024. The estimate real estate taxes for the first year of the Condominium operating would be the real estate taxes for fiscal tax year 2023/2024, the period from July 1st, 2023 to June 30th, 2024.

Based on information provide to our office you commenced construction of the building on March 1st, 2021. You plan to complete construction of the building by December 31, 2023. Based on the estimated completion date of December 2023 the building will not be completed by the fiscal tax year 2023/2024 the period of July 2023 to June 2024. The Department of Finance would value the property as a partially completed building. We estimate the value of the for fiscal tax year 2023/2024 to be $4,647,555. Assuming a Tax rate of 12.3% we estimate the real estate taxes for fiscal tax year 2023/2024 to be **$571,650**.

Based upon the above, we estimate the real estate taxes for the first year of condominium operations, July 1st 2023 to June 30th, 2024 to be **$571,650.**

Based upon the information provided to this firm from your office the condominium real estate taxes for the first year of condominium operations will be divided as per the following percentage of common interest for the units:

Residential Units:	93.93%
Commercial Units	6.07%

Based upon the above percentage of common interest the real estate taxes would be as follows:

Residential Units:	$536,950
Commercial Unit:	$34,700

Please note the estimated real estate taxes for the first year of condominium operation, the period of July 1st 2023 to June 30th 2024, are not based upon a fully completed and occupied building.

Estimated Real Estate Taxes for the second year of operation the period from July 1st, 2024 to June 30th, 2025

You have requested the estimated real estate taxes for the Condominium for the second of its operation, the period from July 1st, 2024 to June 30th, 2025. The estimate real estate taxes for the first year of the Condominium operating would be the real estate taxes for fiscal tax year 2024/2025, the period from July 1st, 2024 to June 30th, 2025.

Based on information provide to our office you plan to complete construction of the building by December 31, 2023. Based on that information the building will be completed by the fiscal tax year 2024/2025 the period of July 2024 to June 2025. We estimate the value of the for fiscal tax year 2024/2025 to be $8,796,955. Assuming a Tax rate of 12.3% we estimate the real estate taxes for fiscal tax year 2023/2024 to be **$1,082,025**.

Based upon the above, we estimate the real estate taxes for the second year of condominium operations, July 1st 2024 to June 30th, 2025 to be **$1,082,025.**

Based upon the information provided to this firm from your office the condominium real estate taxes for the second year of condominium operations will be divided as per the following percentage of common interest for the units:

Residential Units:	93.93%
Commercial Units	6.07%

Based upon the above percentage of common interest real estate taxes as would be as follows:

Residential Units:	$1,016,347
Commercial Unit:	$65,678

Owners of residential condominium units, who met the requirements of the New York City Department of Finance rules and regulations, are entitled to the Cooperative or Condominium Property Tax Abatement. You must have purchased the unit on or before January 5th to qualify for the abatement for the upcoming tax year. A condominium unit owner cannot own more than 3 residential units in a development. One of the units must be the owner's primary residence. Units owned by the sponsors or its successors do not qualify for the abatement. Units owned by a business designation (LLC) are not eligible for the abatement. Assuming you qualify for the abatement, the abatement will reduce your tax liability by seventeen and half percent (17.5%).

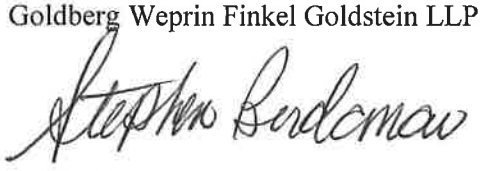
Our analysis was based upon information provided to this firm by your office.

This letter was prepared by the undersigned and based upon information as supplied to him by the sponsor. There has been no independent verification of that information. The opinion expressed in this letter is the opinion of the undersigned and does not necessarily express the opinion of the Department of Finance or the Real Property Assessment Division or any other City department involved in the assessing process.

Conclusions reached by these departments may be different from the undersigned's and may result in a radically different determination. Small differences in income, expenses and capitalization rates can markedly change an estimated assessed value. While we believe our opinions are founded on reasonable assumptions, our opinion is not intended as a representation or warranty.

We consent to the inclusion of this letter in a condominium offering plan.

Very truly yours,
Goldberg Weprin Finkel Goldstein LLP



Stephen Bordanaro, Partner

3. OPINION REGARDING ALLOCATION OF COMMON INTERESTS

Holland & Knight

31 West 52nd Street | New York, NY 10019 | T 212.513.3200 | F 212.385.9010
Holland & Knight LLP | www.hklaw.com

February 25, 2021

1165 Madison Ave Owner LLC
c/o The Naftali Group
152 West 57th Street, 45th Floor
New York, New York 10019

Re: Condominium Offering Plan for 1165 Madison Avenue Condominium
(the "Condominium")

To Whom it May Concern:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium as required by 13 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 Offering Plan (the "Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Century Management, LLC, as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Century Management Services, Inc.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(l)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Holland & Knight LLP, 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.

Very truly yours,

Holland & Knight LLP

Holland & Knight LLP

T. WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two month's Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

At the First Closing, Sponsor will apportion the following items with the Board as of the date preceding said closing:

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

(2) fees for assignable permits and licenses, if any;

(3) charges for steam, gas, electricity and other utilities;

(4) payments under assignable service, maintenance and concession contracts;

(5) water charges and sewer rents on the basis of the fiscal year for which assessed (unless separately assessed to individual Units);

(6) cost of fuel and Building supplies on hand, at Sponsor's cost (plus sales tax);

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board. Other than as provided in the preceding sentence, Sponsor will not separately contribute to the Working Capital Fund. However, while Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units.

No representation is made that the Working Capital Fund, together with the

Common Charges, will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

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U. RESERVE FUND

Upon completion of the work being performed by or on behalf of Sponsor as described herein, the Condominium will have been newly constructed. Accordingly, Sponsor is not separately funding a reserve fund for the Condominium for the purposes of necessary repairs or capital items.

Sponsor reserves the right to have the Condominium Board fund a reserve fund. If a reserve fund line-item were to be added to Schedule B, it may be necessary to increase the Common Charges or to impose special assessments on Residential Unit Owners, subject to certain restrictions as set forth in the By-Laws. In such event, each Residential Unit Owner would be individually liable for the amount of such special assessment or increase in Common Charges payable by the Board to the extent of such Resident Unit Owner's proportionate Common Interest among all Resident Unit Owners. Based on guidelines set by the Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) as of the date of filing of this Plan, in connection with a purchase of a Unit the absence of a reserve fund may prevent a Purchaser from obtaining a mortgage loan in an amount of approximately $748,000 or less.

V. MANAGEMENT AGREEMENT AND CONTRACTS

1. Management Agreement

It is presently contemplated that at or prior to the First Closing, the Board will enter into a management agreement with Century Management Services, Inc., having a principal office address at 440 Ninth Avenue, Suite 1500 New York, New York 10001 to act as Managing Agent with respect to the Condominium. Century Management Services, Inc. is not affiliated with Sponsor or Sponsor's principal.

It is contemplated that the term of the Management Agreement will commence on the date of the First Closing, and will continue in force for 12 months from such date, and thereafter, if not sooner terminated, will be deemed automatically renewed on a month to month basis until canceled by either party on 60 days' prior notice. The Managing Agent will receive an annual fee of $42,000 for such initial term, payable in equal monthly installments. Thereafter, during any month to month continuation, Managing Agent can increase the annual fee after not less than 60 days' notice.

The duties and services to be rendered by the Managing Agent include, among others:

(a) Cause to be hired, paid and supervised, all persons necessary to be employed in order to properly maintain and operate the Building who, in each instance, shall be the Condominium's and not the Agent's employees, and cause to be discharged all persons unnecessary or undesirable. The Managing Agent shall not be liable to the Condominium for any act or omission, tortious or otherwise on the part of the Condominium's employees except if caused by Agent's gross negligence. The Agent agrees to use reasonable care in the hiring of such employees and to pay salaries and benefits to employees as specified in any union contract for each category of employee.

(b) Cause the Building to be maintained in such condition as may be deemed reasonably advisable by the Board, including interior and exterior cleaning, and cause repairs and alterations of the Building to be made, including, but not limited to, electrical, plumbing, steam fitting, carpentry, masonry, elevator, decorating and such other incidental alterations, subject to the limitations contained in this Agreement. Ordinary repairs or alteration involving an expenditure of over $2,500 for any one item shall be made only with prior approval of the Board, except for emergency repairs, i.e., those immediately necessary for the preservation or safety of the Building or for the safety of unit owners, tenants, other occupants or other persons or required to avoid suspension of any necessary service in the Building, which may be made by the Agent irrespective of the cost thereof, without the prior approval of the Board, in which case Agent shall promptly notify the Board of the repair, provided that prior to obtaining the Board's approval, Agent shall only perform so much of the work as is required to be done so as to abate the emergency and Agent shall obtain the Board's approval for the non-emergency portions of such repairs. In the event the Board undertakes any alteration or repair costing in excess of $75,000, Agent shall not be required to supervise same, unless the Board and Agent agree upon the exact nature of Agent's responsibilities with respect thereto and the fee to be paid to Agent in connection therewith, provided that Agent will coordinate the Building's employees and the professionals

retained in connection therewith.

(c) Recommend and, with the approval of the Board, cause all such reasonable acts and things to be done in or about the Building as shall be necessary or desirable to comply with any and all orders or violations affecting the Building, placed thereon by any federal, state, or municipal authority having jurisdiction, and orders of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body, except that if failure promptly to comply with any such order or violation would, or might, expose the Condominium or the Agent to criminal liability, the Agent may cause such order or violation to be complied with after consulting the president, vice president, or treasurer of the Owner (in the order given, if possible), or if such officer shall not be available to the Agent, after consultation with the Condominium's attorneys. The Agent shall notify the Board promptly after receipt by the Agent in writing of any order or violation, as aforesaid.

(d) Enter into contracts on behalf of the Condominium for electricity, gas, steam, air-conditioning, water treatment, elevator, telephone, window cleaning, vermin extermination and other services or such of them as shall be advisable for the building, but any such contract (other than with a public utility) having a term longer than one (1) year or requiring annual payments in excess of $2,500 must be authorized by the Board.

(e) Purchase all supplies which shall be necessary to properly maintain and operate the Building, make such contracts and purchases in either the Condominium's or the Agent's name, as the Agent shall elect, and credit to the Condominium any discounts or commissions obtained for purchases or otherwise (except any insurance and other commissions payable to the Agent under the terms of this Agreement).

(f) Consult with the Board with respect to the insurance coverage for the Building and its employees. If requested by the Board, cause to be effected and/or maintained, in such amounts and through such carriers as the Board shall designate or approve, fire, rent, plate glass, water damage, liability, worker's compensation, employer's liability, disability and any other insurance the Board may elect to carry.

(g) Review all bills (any original invoices may be returned and stored at the site office) received for services, work and supplies and other expenditures incurred by or on behalf of the Condominium in connection with maintaining and operating the Building, pay or cause to be paid (with the Treasurer or other Officer's approval) from the funds of the Condominium all such bills and other expenses (including mortgage payments, if any), real estate taxes, water charges, sewer rent, assessments, and other taxes assessed against the Condominium or the Building as and when the same shall become due and payable, if the Condominium's funds are available for timely payment.

(h) If requested by the Board in writing, list and offer for sale, or lease, at agreed upon additional compensation, through its own organization and, if it shall be advisable, through other brokers, space reserved, acquired or reacquired by the Condominium in the Building, and in such events use commercially reasonable efforts to effect sales or leases thereof, and to renew leases and space reserved, acquired or reacquired by the Condominium in the Building.

(i) If requested by the Board in writing, accept applications and references from all prospective purchasers and process "Right of First Refusal" letters or "Waiver of Right of First Refusal" letters, as directed by the Board.

(j) Cause the supervision, with the assistance of the superintendent, the moving in and out of unit owners and tenants and, as far as reasonably possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and inconvenience to other unit owners and tenants.

(k) Bill, or cause to be billed, and collect common charges (rents) and other charges and assessments payable to the Condominium by all unit owners, tenants and licensees and use commercially reasonable efforts to collect such common charges and other charges, but Agent shall have no liability or responsibility for any failure to collect any delinquent amounts.

(l) When and if directed by the Board, retain counsel to serve notices upon unit owners and tenants to quit and surrender space occupied by them. Also, when directed by the Board, and on the Condominium's behalf and at the Condominium's expense, retain counsel to sue for common charges and other charges which may at any time be or become due to the Condominium from any unit owner or tenant in respect of space in the Building, institute summary proceedings to recover possession thereof and, with the consent of the Board, employ and pay special counsel, if necessary, for any purposes, but no suit or summary proceeding shall be instituted unless the Board's authorization thereof is first obtained.

(m) Attend to all major complaints received from unit owners and tenants and, when reasonable, address such complaints. If the Agent shall deem any such complaint unreasonable, it shall advise the Board of the complaint and the reason for its opinion that the complaint is unreasonable.

(n) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of Building employees and maintenance and operation of the Building required by any federal, state or municipal authority.

(o) On or about the twenty-fifth (25th) day of each month, render or cause to be rendered detailed monthly statements to the Owner, of receipts and disbursements, investments and income there from, for the preceding calendar month and year to date made on behalf of and for the account of the Condominium. Copies of bills, if requested shall support each monthly statement.

(p) Cause to be set up and kept in good order, reports, records and books consistent with the customary records and books kept by Agent for other condominium buildings (other than books of account maintained by the Condominium's accountants) for the Condominium, and maintain orderly files containing common charge records, insurance policies, leases, if any, correspondence, receipted bills and vouchers, and all other documents and papers pertaining to the Building or the operation thereof.

(q) Cooperate reasonably with the Condominium's accountants in regard to the annual audit of the books of account of the Condominium, including the annual report of the

operations of the Condominium for the year then ended. A copy of each such annual report shall be sent by the Agent to each unit owner, if requested. The annual certified financial statement of the Condominium will not be prepared by the Agent; such statement will be prepared by an independent certified public accountant engaged by the Board, at the Condominium's expense.

(r) Cooperate reasonably with the Condominium's accountants in regard to the preparation and filing on behalf of the Condominium of federal, state, city and another income and other tax returns required by any governmental authority,

(s) Cooperate reasonably with the Condominium's accountants in the preparation and submission annually to the Board, of an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing fiscal year, a comparison of said budget to the income and expenses of the preceding and current years and any required explanations with respect thereto.

(t) When requested by the Board, Agent will cause a representative of its organization to attend eight meetings of the Board of Managers and one (1) annual meeting of Unit Owners. A representative of the Agent will use its commercially reasonable efforts to visit the property monthly to meet with on-site office personnel.

(u) When the books of tentative assessed valuation of the City of New York are opened for public inspection in each year, ascertain the assessment of the land and building and report such assessment to the Board. Should the Board choose to file an application for correction of assessed valuation, the Agent will, if requested by the Board, cooperate reasonably with counsel for the Condominium in the preparation of an application for correction of the assessed valuation to be filed with the Tax Commission of the City of New York.

(v) In the event unit owners wish to alter their apartments, the Agent will process their application for a fee as contained in the schedule of fees attached hereto, and forward such applications to the Board or, at the Board's direction, to the Condominium's engineer; subject to the Board's consent, retain on behalf of the Condominium an engineer to review plans and specifications; coordinate with the Condominium's superintendent and with the unit owner undertaking the alteration, for the use of Building services and equipment, if necessary. The Agent shall, subject to the Board's consent, retain the Condominium's engineer to be responsible for supervising the actual alterations by unit owners and for verifying that the alterations are performed in accordance with the proposed plans submitted to the Board or in accordance with applicable New York City fire, health, building and other similar laws and codes relating to construction or alterations. Agent may charge unit owners a reasonable fee for the performance of the foregoing services.

(w) The Agent will have the right to display management signage on the exterior of the property.

In each instance where Agent's responsibilities above require the expenditure of funds, Agent's responsibilities shall be deemed modified to limit same to the extent the Condominium has made or is making funds available to Agent for the performance of such responsibilities.

The management fee will be included in Common Expenses as discussed above in Schedule B – "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it, as well as reimbursement for all expenses incurred by Managing Agent in connection with the performance of its duties.

The Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the management agreement or at the instructions of the Board.

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by the 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 and shall disclose such change in an amendment to the Plan. After the Sponsor Control Period, upon the expiration or sooner termination of the then current agreement with the Managing Agent, the Board may designate any other managing agent to perform the duties and services to be performed by the Managing Agent under the Plan. The term "Managing Agent" when used in the Plan with respect to any time after Sponsor or the Board has designated another managing agent shall mean such other agent. The Management Agreement may not be assigned by the Managing Agent without the prior written consent of the Board. Sponsor will amend the Plan to disclose having entered into the Management Agreement promptly after execution thereof.

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W. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 1165 Madison Ave Owner LLC, a Delaware limited liability company authorized to do business in the State of New York, with an office at c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York 10019.

Michael Naftali is the sole principal of Sponsor under the Plan, having a business address of 152 West 57th Street, 45th Floor, New York, New York 10019.

Mr. Naftali is a real estate developer, owner, operator and investor, involved in high-end development and key investment opportunities in North America, Asia and Europe. Prior to establishing the Naftali Group LLC, Mr. Naftali launched and guided Elad Properties' New York operation. Mr. Naftali has designated the New York Secretary of State to receive service of process with respect to this Offering Plan.

Neither Sponsor, nor any affiliates of Sponsor or affiliates of Sponsor's principal have been involved in any condominium or cooperative offering plans for the last five years, nor do the foregoing own 10% or more of the unsold units or unsold shares in any building in the state of New York.

Mr. Naftali has been involved as a principal of sponsor for the following cooperative or condominium offerings first offered in the State of New York in the preceding five years, or otherwise owns 10% or more of the unsold units or unsold share in same:

Address of Property	**AG File No.**	**AG Filing Date**
275 West 10th Street	CD14-0241	July 7, 2015
219-223 West 77th Street	CD14-0335	August 28, 2015
1039-1045 Madison Avenue	CD18-0471	March 13, 2020
200 East 83rd Street	CD20-0127	Not yet accepted for filing

Sponsor and its principal are current in their obligations with respect to the offerings stated above.

There have been no prior felony convictions of Sponsor, or the principal of Sponsor, or any individuals owning or controlling a 10% or more equity in Sponsor; and no prior bankruptcies, convictions, injunctions and judgments against Sponsor, or the principal of Sponsor, or any individuals owning or controlling a 10% or more equity in Sponsor, that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Holland & Knight LLP, having an office at 31 West 52nd Street, New York, New York 10019 ("Sponsor's Counsel"), to represent it in connection with the Plan. Stuart M. Saft, Esq. had principal responsibility for the preparation of the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Unit Power of Attorney. Sponsor's Counsel has also rendered opinions with respect to the possible availability of income tax deductions to Purchasers of Residential Units and the allocation of Common Interests. Sponsor's Counsel will serve as Escrow Agent under the Agreements and will represent Sponsor in connection with Unit closings.

3. Selling Agent

The Selling Agent is Compass Development Marketing Group, having its main office at 90 Fifth Avenue, New York, New York 10011. Selling Agent is not affiliated with Sponsor or with Sponsor's principal.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against the Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

4. Managing Agent/Budget Expert

It is contemplated that at or prior to the First Closing, the Board will enter into a management agreement on behalf of the Unit Owners with Century Management Services, Inc., having a principal office address at 333 7th Avenue, New York, New York 10001, to act as Managing Agent with respect to the Condominium. Managing Agent is not affiliated with Sponsor or with Sponsor's principal, and has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same. Century Management Services, Inc. has served as the managing agent for the following developments:

160 East 22nd Street
New York, NY

Brooklyn Pierhouse
90 Furman Street
Brooklyn, NY

Morgan House Condominium
153 East 87th Street
New York, NY 10028

There have been no prior felony convictions of the Managing Agent or any principals of Managing Agent; and no prior convictions, injunctions and judgments against Managing Agent or any principal of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within 15 years prior to the submission of this Plan.

Century Management Services, Inc. has also served as Budget Expert under the

Plan, having reviewed all amounts of income and expenses in Schedule B – "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor.

5. Real Estate Tax Attorney

Goldberg Weprin Finkel Goldstein LLP, having an address at 1501 Broadway, 22nd Floor, New York, New York 10036, has been engaged as the real estate tax attorney in connection with the Plan, and has prepared forecasts of the assessed valuation of the Units following Sponsor's construction of the Building and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

6. Construction Professionals

Architecture by Robert A.M. Stern Architects and SLCE Architects, having addresses at One Park Avenue, New York, New York 10016 and 1359 Broadway, New York, New York 10018, respectively are the architects engaged by Sponsor for the Description of Property and Floor Plans, included in Part II of the Plan. James S. Davidson, Architect of SLCE Architects has been involved in major developments throughout New York City, including Echelon, 35 East 21st Street, The Laureate, 2150 Broadway and 160 Madison Avenue and has been active in the industry in New York for thirty seven (37) years. Ventrop Engineering Consulting Group and WSP USA, having addresses at 369 West 34th Street – 2nd Floor, New York, NY 10013 and One Penn Plaza, New York, New York, 10119 respectively are the structural engineers for the Project. WSP USA Engineer has been involved in major developments throughout New York City, including World Trade Center Memorial, 425 Park, 200 East Madison Avenue and has been active in the industry for more than 20 years. Ventrop Engineering is the mechanical and electrical engineer for the Project. None of the construction professionals is an affiliate of Sponsor or of Sponsor's principal. None of the construction professionals has a financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

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X. REPORTS TO UNIT OWNERS

It is the obligation of the Board to give all Unit Owners annually:

1. a financial statement of the Condominium prepared by a certified public accountant or public accountant, within 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Board;

2. at least 10 days' prior notice of the annual Unit Owners' meeting; and

3. a copy of the proposed annual budget of the Condominium prior to the date set for adoption thereof by the Board.

While Sponsor is in control of the Board, such budget shall be certified in compliance with Section 20.4(d) of the Regulations of the Department of Law.

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Y. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office when the Declaration is recorded, or in an amendment to the Declaration filed prior to the First Closing, and an additional set will be furnished to the Board at the time a permanent Certificate of Occupancy for all of the Units has been issued.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Board at such time.

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Z. GENERAL

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

To the best of Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings filed with the Department of Law. No preliminary binding agreements have been entered into and no money has been collected from prospective Purchasers.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, gender, sexual orientation, age, disability, marital status or other grounds prohibited by law.

Sponsor hereby represents that no contracts or agreements, written or oral, have been entered into, and no funds received, with respect to any of the Units offered in this Plan as of the date this Plan is first accepted for filing by the Department of Law.

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents 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.

No party other than any Purchaser 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 party other than any Purchaser shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, to substantially revise the terms and conditions upon which the Units offered hereunder are to be sold, including, without limitation, changes affecting the rights, obligations and liabilities of Sponsor and/or prospective Purchasers under the Plan. However, no such change with respect to any such Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their respective Agreements by written notice to Sponsor given within 15 days after the date of presentation of such amendment. In such event, Sponsor shall direct the Escrow Agent to return the Deposit of any Purchasers who duly rescind their Agreements.

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.

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AA. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

Sponsor has retained and expressly reserves all excess air or developmental rights otherwise appurtenant to the Property (the "Development Rights") and not used in connection with the original construction of the Building as described in this Plan, if the Building is ever upzoned, meaning that the floor area ratio ("FAR") associated with the zoning district designation applicable to the Property is increased from the FAR associated with the current zoning designation. As a result, if the Building is ever upzoned, unless Development Rights are separately acquired on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable Legal Requirements, may not be possible or may be limited. Further, as a result of such reservation by Sponsor, if the Building is ever upzoned, Sponsor may transfer or sell such Development Rights to the owner(s) of adjoining properties or offsite and in such case such properties may be increased as a result of such transfer or sale. The Development Rights reserved by Sponsor will not be used to add additional floors to the top of the Building. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties or offsite, a Unit Owner's views and exposure to light may be affected.

The Development Rights will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Development Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Development Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In the event such excess Development Rights are transferred to the owner(s) of adjoining properties, or in the event the owner(s) of adjoining properties acquire floor area development rights from other properties, a Unit Owner's views and exposure to light may be affected.

BB. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Specifications set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

Sponsor believes and hereby represents that the "Description of Property and Specifications," set forth in Part II of the Plan (plus any information included in any amendment to the Plan), represents accurately what will be the condition of the Building upon substantial completion. The firm preparing the "Description of Property and Specifications" has no financial interest in the Property, Sponsor, the Condominium, the Selling Agent, any affiliates thereof, or any other party interested in this transaction, except for the fee for services rendered. Sponsor knows of no facts or information inconsistent with the report.

The Residential Units are being sold "AS IS" in the condition in which they exist at the time of transfer of title to such Unit (subject to Sponsor's obligation to deliver the Unit in the condition set forth in the Section of Part II of this Plan entitled "Description of Property and Specifications" and subject to reasonable wear and tear), unless Sponsor and the Purchaser of such Unit otherwise agree in writing. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Residential Unit shall cease upon the closing of title to such Unit. If a Unit borders or is located near a rooftop or other area, there may be equipment for building, or other obstructions, that may be visible from the windows of said Unit.

As more fully described in "The Property" in Section A above, and subject to the matters described therein, Sponsor anticipates that Sponsor's construction work at the Building will be sufficiently completed to allow the first closing of a Unit to occur on or about July 1, 2023. A new Certificate of Occupancy will be issued for the Building when Sponsor's construction work at the Building is complete. Sponsor will obtain a temporary Certificate of Occupancy permitting occupancy of specific Units prior to the closing of the sale of such Units. .

SPONSOR:

1165 Madison Ave Owner LLC

PART II

EXHIBIT 1

FORM OF AGREEMENT (INCLUDING ESCROW RIDER)

AGREEMENT

_____

_____,

Purchaser(s)

with

1165 Madison Ave Owner LLC

Sponsor/Seller

Unit Number _____
1165 Madison Avenue Condominium
1165 Madison Avenue
New York, New York 10028

AGREEMENT
UNIT NO. _____
1165 Madison Avenue Condominium
1165 Madison Avenue
New York, New York 10028

(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ___ day of _____ 20___, between 1165 Madison Ave Owner LLC, a limited liability company, having an office at c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York Holland & Knight (hereinafter, "Sponsor"), and

_____

_____

having an address at_____(hereinafter, "Purchaser").

W I T N E S S E T H:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for 1165 Madison Avenue Condominium, (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Upon and subject to the terms and conditions set forth herein, Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, an option to purchase condominium Unit No. ____ at the Condominium (as designated in the Declaration), together with the undivided % interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1 The purchase price for the Unit (the "Purchase Price") is $ _____ payable as follows:

(a) an initial payment of $ _____ (the "Initial Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged; and

(b) an additional payment of $ _____ (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), due upon the earlier to occur of: (i) _____ (the date which is six (6) months after the date of this Agreement); or (ii) thirty (30) days after Sponsor serves Purchaser with written notice of acceptance by the NYS Department of Law of an amendment declaring the Plan effective, but in no event later than the closing of title, subject to

collection;[1] provided, however, that with respect to Agreements entered into after the Plan has been declared effective, Sponsor reserves the right to require both the Initial Deposit and the Additional Deposit upon execution of the Agreement; and

(c) $ _____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Holland & Knight LLP, as Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check(s) of Purchaser or official bank or cashier's check(s), made payable to the direct order of "1165 Madison Ave Owner LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default). At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor.

4. Deposit.

4.1 Prior to or concurrent with execution hereof and payment by Purchaser of the Deposit, Purchaser, Sponsor and Escrow Agent will enter into the "Escrow Rider" annexed hereto and incorporated by reference herein.

4.2 The provisions of paragraphs 3-6 of the Escrow Rider annexed hereto are incorporated herein by reference.

4.3 Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Holland & Knight LLP, 31 West 52nd Street, New York, New York Holland & Knight (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 thirty (30) days' prior notice. Sponsor may, from time

[1] Omit if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e. diplomatic immunity).

to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and substantially in the form set forth as Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's agreement that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to or at closing, and that Sponsor's obligations under paragraph 6.1 above have been satisfied and that any objections to title have been waived, and the Sponsor shall thereafter be released and discharged of all liability hereunder and under the Plan except as to those matters specifically provided under this Agreement or under the Plan to survive or to be performed after the 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. Nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Royal Abstract of New York LLC, 125 Park Avenue, New York, New York 10017 Attention: Harry Erreich; (212) 376-0900 (or such other title or abstract company

designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company or any other title or abstract company which is a member of the New York State Land Title Association Inc. would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company, or any other title or abstract company which is a member of the New York State Land Title Association Inc., in connection with the closing of any other Units in the Condominium). Subject to the provisions of this Article 7 or Article 8, Purchasers may obtain title insurance from the Title Company or, without penalty, from any other title company of Purchaser's choosing.

7.2 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 ten (10) days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 (a) If the Unit has been separately assessed but the closing of title occurs

before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.14 of the By-Laws and in Part I of the Plan.

(b) Purchaser and Sponsor hereby agree that, if Purchaser or Sponsor obtain a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 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 to 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 aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

8.7 In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at Closing will be reimbursed by

Purchaser to the extent of any mortgage tax credit allowed.

9. Closing Costs. In addition to those costs, adjustments and other amounts described in Article 8 of this Agreement, Purchaser shall be required to pay other closing fees and costs which are Purchaser's responsibility as described in the Section of the Plan entitled "Closing Costs and Adjustments" and otherwise. All such closing fees and costs shall be paid by Purchaser at closing by Purchaser's unendorsed personal certified check or official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association. Such costs shall include, but are not limited to, the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the New York State Additional Tax pursuant to Section 1402-a of the Tax Law and the New York State Supplemental Tax pursuant to Section 1402-b of the Tax Law, each, to the extent applicable, collectively referred to herein as the, "Mansion Tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York, including, but not limited to, any New York City mansion, supplemental, or similar additional tax as may hereafter be imposed, notwithstanding the fact that this tax may by law be the primary obligation, in whole or in part, of the seller (any tax payable by either a transferor or transferee that may be imposed by New York City or New York State in addition to the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and Mansion Tax, an "Additional Tax"). Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as amended, may be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers are further advised to consult with their attorney or a tax expert regarding the transfer or mansion taxes or other costs which may be payable in connection with closing of title. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 9 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern so long as they do not violate any applicable law or regulation.

11.3 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.

12. Default by Purchaser. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit on the date set forth in Article 3 hereof, Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser; or

(iv) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or 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 filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days; or

(viii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of the notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement. If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor, as its sole remedy, shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit once the Plan has been consummated. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, excluding attorneys' fees set forth in Section 35 hereof, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Deposit being held in escrow.

(d) NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money 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 continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already 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 fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

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 (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. 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.

(a) If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the 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 not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and 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. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten 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 first remedy above to acquire title subject to such inability.

(b) Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. Any rights which Purchaser may have pursuant to Article 23A of the General Business Law and the regulations issued pursuant thereto or under the Offering Plan may not be limited, except as determined in a final decision or order by a court of competent jurisdiction, governmental agency, or by executive order.

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 Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction.

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), provided, however, that Sponsor reserves the right, without prior notice to Purchasers or amendment to the Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction,) to: (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the materials, appliances equipment, fixtures and other construction and design materials and details); and/or (b) substitute materials, appliances, equipment, fixtures, and other construction and design materials and details that are "Equal or Better" (meaning of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable) in place of those described in the Plans and Specifications. The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the 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 Plan in the Section entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the 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 "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on the Inspection Statement (in the form set forth as Schedule B to this Agreement) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit). Nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

17.4 The actual date for the First Closing as set forth in the Plan (as the same may be amended from time to time) is only an estimate and is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected date or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

18. Inspection of Unit. At least one (1) week (but not more than one (1) month) prior to the Closing Date, at Sponsor's direction, Selling Agent shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Selling Agent at the conclusion of the inspection. Sponsor reserves the right to limit the number of individuals who may accompany Purchaser in the inspection of the Unit. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title, and Sponsor gives written notice to Purchaser within 60 days of such casualty event of Sponsor's election to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with written notice thereof to Purchaser within such 60 days, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the 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 or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and 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 hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

19.3 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to closing of title, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. If during the Purchaser's occupancy prior to closing of title, the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss not covered by insurance and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts or omissions of the Purchaser or other occupants of the Unit or Purchaser's guests, invitees, agents or workers. If the Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the Purchase Price and accepting delivery of the deed.

20. Acceptance Of Condition Of Property. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser acknowledges that while the Building or the Unit

are undergoing construction, it is dangerous and there is a great deal of activity in order to complete the Building and the Unit as expeditiously as possible. Accordingly, neither the Purchaser nor the Purchaser's advisors or consultants will be granted access to the Building or the Unit. Purchaser shall have a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's representative prior to the Closing. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title, but all such obligations to complete work in the Unit shall cease once the work has been completed. Sponsor shall have no obligation to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations and to obtain a temporary or final certificate of occupancy covering the Unit. Purchaser shall provide written notice that he or she wishes to inspect the Unit pursuant to this Paragraph at least ten (10) days prior to Closing and Sponsor shall respond prior to Closing. If Purchaser fails to inspect such Unit prior to the Closing, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Sponsor shall remain obligated to construct the Building in accordance with all applicable code and the Plans and Specifications. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (1) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property.

Except as otherwise set forth in the Offering Plan, Sponsor will not be obligated to correct, and will not be liable to any Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Notwithstanding the foregoing, prior to Closing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces.

21. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, model units, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any

other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

22. Prohibition Against Advertising and Selling. Purchaser hereby covenants and agrees that it shall not, prior to the closing of title hereunder, list the Unit for lease or sale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for lease or sale. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof and any lease or conveyance in violation of the foregoing shall be voidable by Sponsor. In addition, Purchaser hereby covenants and agrees that it shall not, for at least twelve (12) months from the date of closing of title hereunder, list the Unit for sale or resale or lease with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or lease or sell or lease the Residential Unit. Any such sale or lease or listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives in violation of the foregoing sentence shall entitle Sponsor to all remedies available at law or in equity. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement.

23. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and _____. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than Selling Agent and the aforementioned broker on account of any acts or dealings of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

24. Agreement May Not Be Assigned.

24.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

24.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or

other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____.

24.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000.00 made payable to Holland & Knight LLP (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

24.4 Notwithstanding the provisions of Section 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

24.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

25. 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 Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Initial Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's gender, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

26. Notices.

26.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt of sending: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor at the address set forth above, with a copy sent simultaneously and in like manner to Holland & Knight LLP, 31 West 52nd Street, New York, New York Holland & Knight, Attention: _____. 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 when personal delivery is effected, or in the case of overnight courier, one (1) business day after sending, or in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of closing dates or the scheduling or rescheduling of inspections may be made by facsimile or electronic mail to each party's attorneys.

26.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's closing counsel (Holland & Knight LLP) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

27. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is

being purchased by more than one person, in which case their obligations shall be joint and several.

28. Liability of Sponsor.

(a) Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, epidemic, pandemic, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, government action, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. Any rights which Purchaser may have pursuant to Article 23A of the General Business Law and the regulations issued pursuant thereto or under the Offering Plan may not be limited, except as determined in a final decision or order by a court of competent jurisdiction, governmental agency, or by executive order.

(b) Purchaser agrees that Sponsor may cancel this Agreement by forwarding Sponsor's check in the full amount of the Payments paid by Purchaser together with interest earned thereon, if any, together with a written termination notice, in the event that (i) any governmental bureau, department or subdivision thereof (x) imposes restrictions on the manufacture, sale, distribution and/or use of materials necessary in the construction of residential housing and such restrictions prevent Sponsor from obtaining such materials from Sponsor's regular suppliers or from using them in the construction and/or completion of the Residential Unit or (y) revokes or modifies any building permit on audit (not due to any violation thereof or default thereunder by Sponsor) and as a result of such revocation or modification Sponsor is unable to construct the Building as contemplated in the Offering Plan, or (ii) Sponsor is unable to obtain materials from Sponsor's usual sources due to events beyond sponsor's reasonable control. Any rights which Purchaser may have pursuant to Article 23A of the General Business Law and the regulations issued pursuant thereto or under the Offering Plan may not be limited, except as determined in a final decision or order by a court of competent jurisdiction, governmental agency, or by executive order.

29. 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.

30. Severability. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

31. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party 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 other party.

32. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof.

33. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. Purchaser's Representations.

34.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Sponsor, as provided herein) has any right or claim to all or any portion of the Deposit.

34.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser 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 a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

34.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable

provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

34.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

35. 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) stated in Article 3 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser understand and agrees that, if Purchaser does not obtain financing and Purchaser does not otherwise have the financial resources to pay the balance of the Purchase Price (and all other expenses) due at closing, same will constitute a default under the Agreement which, if not cured as provided for hereunder, will result in Purchaser's loss of the Deposit as set forth herein. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

36. Costs of Enforcing and Defending Agreement. In the event that Sponsor is the prevailing party in any action brought pursuant to the Plan, Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. 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 this Agreement where Purchaser is the prevailing party in such action pursuant to a final non-appealable order by a court of competent jurisdiction. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, 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. The provisions of this Article shall survive closing of title or the termination of this Agreement.

38. Waiver of Diplomatic or Sovereign Immunity.

38.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability

of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

38.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

38.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

38.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

38.5 Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

38.6 The provisions of this Article 37 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.

38.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

39. 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.

40. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "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 otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

41. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

42. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

43. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

44. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature or other electronically transmitted (e.g., PDF) signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature or other electronically transmitted signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page or other electronically transmitted signature, although the failure to do so shall not invalidate the effectiveness of the facsimile signature or other electronically transmitted signature.

45. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

46. Mold. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely

on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. At Closing, the Unit will be free from toxic mold. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. Notwithstanding the foregoing, Sponsor will remediate any mold or mildew occurring within ninety (90) days after Closing, if due to a construction defect at the Building.

47. Prohibition on Smoking. Purchaser is advised that the Condominium is a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Residential Units, on Terraces appurtenant to Residential Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under Section 6.19 of the By-Laws, including, without limitation, the imposition of fines and penalties as the Board may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

48. Section 1031 Exchange. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser (except as prohibited by paragraph 23 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax deferred exchange) or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees)

or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

49. No Recording. Neither this Agreement nor a memorandum of this Agreement shall be recorded against the Property, the Building or the Unit.

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

51. Lis Pendens. Purchaser waives any right to place a Lis Pendens against the Unit or the Building. In the event of the Sponsor's failure to substantially complete the Unit in accordance with the terms of the Plan and this Agreement, Purchaser's sole remedy shall be the return of Purchaser's Option Payment(s). The Option Payment(s) shall only be returned if Purchaser has complied with the conditions contained in the Plan and this Agreement. Purchaser acknowledges that if Purchaser has not acted in compliance with the foregoing, Purchaser may not have the right to have the Purchaser's Option Payment(s) refunded.

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

53. Certification Of Sponsor And Principal. Consistent with a New York State Supreme Court, Appellate Division First Department decision, the principal of Sponsor expressly

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

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

55. Binding Effect Of Plan, Declaration, By-Laws And Rules And Regulations. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

1165 Madison Ave Owner LLC

By: _____
Name:
Title:

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID: _____

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID: _____

Purchaser acknowledges receipt of Offering Plan [and amendments]

Initials of Purchaser(s):

On _____ ____, 201__ _____ _____

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement, including without limitation, those under Article 22 and Article 35.

_____
Name:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building and zoning laws and other regulations, resolutions and ordinances (including, but not limited to, any variances or use regulations) and any amendments thereto now or hereafter adopted.

2. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the Condominium By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Board and to Sponsor, and the Floor Plans, all as may be amended from time to time.

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

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, connections and other equipment and facilities on, under and across the Property.

6. 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.

7. Any encumbrance as to which the Title Company (or the title insurance company that insures Purchaser's title to the Unit) would be willing to insure, at its regular rates and without additional premium, in a fee policy issued by it to Purchaser, that such encumbrance will not be collected out of or enforced against the Unit if it is a lien, or that such encumbrance is not a blanket lien encumbering the Common Elements.

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

9. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

10. Encroachments of trim, copings, retaining walls, stoops, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on, over or under the Property or the streets, sidewalks or premises abutting the Property, and the rights of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

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

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

13. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at the closing of title).

14. Franchise taxes and New York City Business Corporation taxes of any corporation in the chain of title, provided that the Title Company would be willing in a fee policy issued by it to Purchaser, to insure that such taxes will not be collected out of the Unit.

15. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company (or the title insurance company insuring Purchaser's title to the Unit).

16. Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

17. Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

18. Taxes and any applicable tax liens, restored tax deferrals and abatements, in rem actions, tax sales, assessments, water rates and sewer usage charges.

19. Any violations against the Property (other than the Unit) that are the obligation of the Board or another Unit Owner to correct.

20. Any state of facts which an accurate survey or a personal inspection of the Property and the Unit would show; provided such state of facts would not prevent the use of the Unit for its stated purposes; although any encroachment of a portion of the Unit structure upon another Unit or Units or upon the Common Elements may remain undisturbed as long as the same shall stand.

21. Covenants, conditions, easements, leases, agreements of record, etc., including, without limitation, the following:

(a) Window Agreement made by Fifty East Eighty-Sixth Street Corporation dated 7/19/1939 and recorded 7/20/1939 in Liber 4018 of Deeds, Page 315. (Affects Lot 52).

(b) Easement Agreement (for encroaching walls) made by and between 1155 Madison Corp. and 86th and Madison, Inc. dated 3/26/1959 and recorded 4/20/1959 in Liber 5074 of Deeds, page 101. (Affects Lot 52).

(c) For Information Only:

A) Zoning Lot Certification made by Royal Abstract of New York LLC dated 8/10/2020 and recorded 9/15/2020 as CRFN 2020000258817.

B) Zoning Lot Description and Ownership Statement dated 9/2/2020 and recorded 9/15/2020 as CRFN 2020000258818.

(c) Sidewalk Notice(s):

No. 9955 Filed 12/13/1976 (Affects Base Lot 52)
No. 77027 Filed 5/17/2000 (Affects Base Lot 53)

SCHEDULE B

INSPECTION STATEMENT

1165 Madison Ave Owner LLC
c/o The Naftali Group
1700 Broadway, 16th Floor
New York, New York 10173

Re: Unit No. _____
1165 Madison Avenue Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Exceptions

Items	**Initials**	**if any**
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

ESCROW RIDER

To Agreement dated: _____ Covering Unit(s): _____
Sponsor: 1165 Madison Ave Owner LLC
Purchaser(s): _____
Escrow Agent: Holland & Knight LLP

This rider ("Escrow Rider") to the captioned Agreement shall constitute a written agreement among Sponsor, Purchaser and Escrow Agent with respect to the subject matter hereof. Capitalized terms used but not defined herein shall have the meanings ascribed thereto as set forth in the captioned Agreement and/or the Offering Plan, as applicable.

1. The law firm of Holland & Knight LLP, with an address at 31 West 52nd Street, New York, New York Holland & Knight, telephone number 212-513-3308, shall serve as escrow agent for Sponsor and Purchaser under the captioned Agreement and shall also serve as legal counsel to Sponsor (referred to hereinafter as "Escrow Agent" or "Holland & Knight"). Escrow Agent has designated the following attorneys to serve as signatories: Stuart M. Saft, Renee I. Covitt, Laura M. Sugarman, Rita Dattola, Joshua Berengarten, Neil N. Beaton, Richard A. Crowley, Martin P. Miner, Randal R. Craft Jr., Michael J. Frevola, Nancy L. Hengen, Christopher G. Kelly, Alan D. Reitzfeld, Sean C. Sheely, James M. Spitzer Jr., Arthur E. Rosenberg, Vincent J. Foley, R. Scott Johnson, Lance Myers and Christopher R. Nolan. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

3. Escrow Agent has established the escrow account at JP Morgan Chase , 242 Park Avenue, 23rd Floor, New York, New York 10022 ("Bank"), a bank authorized to do business in the State of New York. Each escrow account is entitled "1165 Madison Avenue Condominium Escrow Account" or similar name (each the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date of the Plan). Purchasers are also advised that if a Purchaser has any additional accounts at the Bank, the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage. Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured.

4. All Deposits received from Purchaser shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Holland & Knight LLP, as escrow agent." At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor.

5. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to

time. As of December 1, 2020, such rate was 0.10%. The actual initial interest rate for the Escrow Account with respect to Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for Purchaser, from time to time. Interest shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If Purchaser does not deliver the Form W-9 or Form W-8BEN, as applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or Form W-8BEN has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest, if any, will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on Purchaser's Deposit shall be paid to or credited to Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

6. Within five (5) business days after the Agreement has been "tendered" (as defined below) to Escrow Agent along with the Deposit and countersigned by Sponsor, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of placing the Deposit in the Escrow Account, Escrow Agent shall notify the Purchaser that such funds have been placed in the Bank by providing written notice to Purchaser and Sponsor, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five (5) business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice confirming such Deposit may timely be sent to Purchaser.

7. Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

8. All Deposits, except for advances made for upgrades, extras, or custom work received in

connection with the Agreement, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352h.

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

10. The Escrow Agent shall release the Deposit if so directed:

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

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

(c) by a final, arbitration decision by JAMS.

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

Sponsor shall not object to the release of the Deposit to:

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

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

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

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

12. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

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

13. Dispute Resolution

13.1 Any dispute, claim or controversy between Sponsor and Purchaser (Sponsor and Purchaser, individually, a "Party", collectively, the "Parties") arising out of or relating to this Agreement or the Payments shall be determined by arbitration in JAMS Headquarters, currently located at 620 Eighth Avenue, New York, New York, before one (1) arbitrator. Except as otherwise noted in this Agreement and/or the Plan, the arbitration shall be administered by JAMS pursuant to JAMS' Streamlined Arbitration Rules and Procedure. Judgment on any award issued by the Arbitrator may be entered in any court having jurisdiction.

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

13.3 The Parties shall bear the costs of their own expenses and witness preparation. The Parties shall equally share the costs of the JAMS administrative fees, including the Arbitrator's compensation. The Arbitrator shall award to the prevailing Party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the Arbitration. The prevailing Party shall be reimbursed for their share of the JAMS administrative expenses.

13.4 Pursuant to New York Civil Practice Law and Rules ("CPLR") §7511, Escrow Agent shall not release the Option Payments from escrow until at least ninety (90) days after issuance of the Award. During that 90-day period Purchaser may bring an action pursuant to CPLR §7511 to vacate or modify the Award. During such interim period no statutory interest will accrue (or be deemed to have accrued) on the Option Payments. Escrow Agent shall continue to hold the Option Payments in escrow until otherwise directed by a final, non appealable judgment or order of a court of competent jurisdiction directing the disposition of such funds.

13.5 The Parties shall maintain the confidential nature of the Arbitration proceeding and the award, including the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by Law or judicial decision.

13.6 The Award shall be final and binding upon the parties. Any motion to confirm or vacate the Award must be filed in a federal or state court located in the City, County and State of New York. Purchaser shall be liable for all legal fees and disbursements and out of pocket expenses incurred by Sponsor in defending or enforcing Sponsor's rights under this Agreement pursuant to Arbitration in the event Sponsor prevails in defending or enforcing Sponsor's rights. In addition,

Purchaser shall pay the fees and disbursements of the Arbitrator and all other costs associated with Arbitration in accordance with JAMS' fee schedule in effect at the time of the commencement of Expedited Arbitration.

13.7 If the party, who lost the arbitration, is not successful on appeal, that party shall reimburse the other party for all of its fees and expenses including legal fees in appealing the arbitration decision.

13.8 This Section 13 shall survive the closing of title and the delivery of the Deed.

14. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations, in each case, to the extent applicable under GBL §§ 352(e)(2-b) and 352(h).

15. Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under the Agreement or this Escrow 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.

16. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

17. Sponsor agrees that it shall not interfere with Escrow Agent's performance of any fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

18. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Agreement.

19. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

20. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with the Agreement or this Escrow Rider or the performance or non-performance of Escrow Agent's duties under the Agreement, this Escrow Rider or the Plan, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in the Agreement or this Escrow Rider, or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

21. Notwithstanding anything else in this Agreement, since Holland & Knight is legal counsel to Sponsor, and that attorney-client relationship has been disclosed to Purchaser, Purchaser agrees that Holland & Knight may represent and continue to represent Sponsor as its legal counsel,

including but not limited to in any dispute between Sponsor and Purchaser, and waives any potential conflict that may exist by reason of Holland & Knight's designation as Escrow Agent. Such agreement by Purchaser in no way affects the legal and contractual obligations of Escrow Agent pursuant to this Agreement or governing law, with respect to the maintenance or release of the Deposit. Purchaser further acknowledges and agrees that any privileges or protections that result from the disclosed attorney-client relationship between Holland & Knight and Sponsor, including but not limited to the attorney-client privilege and work product protection, are expressly preserved notwithstanding Holland & Knight's additional role as Escrow Agent. Purchaser represents and covenants that it will not seek to discover or obtain communications or information subject to any such privilege or protection, in the event of a dispute or otherwise, on the ground of Holland & Knight's role as Escrow Agent or its obligations to Purchaser with respect to the Deposit hereunder.

SPONSOR:

1165 Madison Ave Owner LLC

By: _____
Name:
Title:

PURCHASER(s):

By: _____
Name:
Title:

Social Sec. Number
or Federal Tax ID: _____

PURCHASER(s):

By: _____
Name:
Title:

Social Sec. Number
or Federal Tax ID: _____

ESCROW AGENT:

HOLLAND & KNIGHT LLP

By: _____
Name:
Title:

RIDER TO AGREEMENT

RE: STORAGE BIN LICENSE

This Rider is made as of _____, 201___ between Sponsor and Purchaser.

Re: Unit _____ ("Unit")
1165 Madison Avenue Condominium
1165 Madison Avenue
New York, New York 10028

1. LICENSE

A. Sponsor agrees to sell and grant, and Purchaser agrees to purchase the right to use Storage Bin #_____ for a purchase price of $. The Storage Bin License to use the Storage Bin shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan.

B. Upon execution of this Rider, Purchaser has delivered a check to Sponsor (subject to collection) in the amount of $ _____ representing the downpayment due in connection with the purchase of the Storage Bin License (the "Storage Bin Deposit").

C. Upon issuance of the Storage Bin License, Purchaser shall pay to Sponsor the balance of the purchase price allocable to the Storage Bin License in the amount of $ _____.*

D. Upon issuance of the Storage Bin License, Purchaser shall pay to Sponsor's Counsel the sum of $____to reimburse Sponsor for a portion of its attorney processing fees in connection with the issuance of each Storage Bin License.

E. Purchaser shall be responsible for the payment of transfer taxes or other taxes, if any, that are payable in connection with the issuance of the Storage Bin License.

2. STATUS OF COMPLETION OF STORAGE BIN

No representation is made with respect to the expected date of completion or availability for use of such Storage Bins and, as a result, Storage Bins may not be completed or available for use at and for a period of time following the closing of title to any particular Unit. However, a Purchaser who has executed this Rider will be required to consummate the purchase of its Unit and the Storage Bin License, without credit or offset, notwithstanding that the Storage Bin for which any such license pertains is not substantially complete, or not yet covered by a temporary certificate of occupancy, or not available for Purchaser's use at such time provided, however, that in such event the amount of the purchase price of the Storage Bin License will remain in the Escrow Account and not be released to Sponsor until completion of the Storage Bin, as evidenced by the issuance of a certificate of occupancy covering the Storage Bin. Further, until a temporary or permanent

certificate of occupancy covering a given Storage Bin has been issued and the use of the Storage Bin is made available to its Purchaser, applicable monthly license fees for the Storage Bin License will not be collected from Purchaser.

3. DAMAGE TO THE STORAGE BINS

If there is a fire or other casualty to the Storage Bins and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Agreement shall be deemed modified to provide for the closing of title with respect to the Unit only. In such event, any deposit therefore paid hereunder in respect of the Storage Bin License shall be refunded to Purchaser.

4. SPONSOR'S RIGHT TO SUBSTITUTE STORAGE BINS

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

5. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Agreement for the Unit and any other default by Purchaser under the Agreement for the Unit shall constitute a default under the Rider entitling Sponsor to those default remedies as more fully described in the Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Unit, the provisions of the Agreement with respect to the delivery of the Storage Bin License shall survive. If for any reason the closing of title with respect to the Unit does not occur, there shall be no issuance of the Storage Bin License to the Purchaser and this Rider shall have no further force or effect except that to the extent the Purchaser is entitled to have its Deposit refunded, then the Purchaser shall also be refunded the Storage Bin Deposit.

If a Purchaser is entitled to a right of rescission pursuant to the terms of the Plan due to any material and adverse change with respect to the Storage Bin License, and/or Storage Bin which is the subject thereof, any such right of rescission shall be limited solely to the agreement to purchase the Storage Bin License which has been affected thereby, and if such Purchaser elects rescission with respect to the agreement to purchase such Storage Bin License, the remainder of the Agreement

shall continue in full force and effect. In the event a Purchaser elects to rescind an agreement to purchase a Storage Bin License, but the remainder of the Agreement remains in full force and effect, such Purchaser shall be refunded that Storage Bin Deposit only.

6. SPONSOR'S INABILITY TO DELIVER

Notwithstanding anything contained herein, Sponsor's inability to deliver a Storage Bin License to Purchaser at or subsequent to the Closing, for any reason, shall not be deemed a material change in the Agreement and shall not entitle Purchaser to a right of rescission thereunder.

7. DEFINITIONS

All capitalized terms used in this rider not defined herein shall have the same meanings ascribed to them in the Agreement to which this Rider is annexed or in the Plan.

8. CONFLICTS

In the event of any inconsistency between the provisions of this rider and those contained in the Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

9. FULL FORCE & EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Agreement remain unchanged and in full force and effect.

PURCHASER(S)

_____

(signature)

SPONSOR:

1165 Madison Ave Owner LLC

By:_____

Name:
Title:

EXHIBIT 1A

FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

► **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See **Specific Instructions** on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person** ►	**Date** ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

EXHIBIT 1B

FORM W-8 (CERTIFICATE OF FOREIGN STATUS)

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► **For use by individuals. Entities must use Form W-8BEN-E.**
► **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1	Name of individual who is the beneficial owner	**2** Country of citizenship
3	Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**	
	City or town, state or province. Include postal code where appropriate.	Country
4	Mailing address (if different from above)	
	City or town, state or province. Include postal code where appropriate.	Country
5	U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	**6** Foreign tax identifying number (see instructions)
7	Reference number(s) (see instructions)	**8** Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income): _____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States,
  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or
  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ►

_____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____
Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT 2

FORM OF RESIDENTIAL UNIT OWNER POWER OF ATTORNEY

RESIDENTIAL UNIT OWNER'S
POWER OF ATTORNEY

_____

to

THE BOARD OF
1165 Madison Avenue Condominium

and

1165 Madison Ave Owner LLC
(Sponsor)

1165 Madison Avenue Condominium
1165 Madison Avenue
New York, New York 10028
Unit No. _____

County: New York
Block: 1497
Lot: ____

Record and Return to:

Holland & Knight LLP
31 West 52nd Street
New York, New York Holland & Knight
Attention: Stuart M. Saft, Esq.

RESIDENTIAL UNIT OWNER'S
POWER OF ATTORNEY

All terms used in this Residential Unit Owner's Power of Attorney that are used in that certain Declaration, dated as of _____, 202__, by 1165 Madison Ave Owner LLC pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as 1165 Madison Avenue Condominium, 1165 Madison Avenue, New York, New York 10028 (hereinafter called the "**Condominium**"), which Declaration was recorded in the New York County Office of the Register of the City of New York (hereinafter called the "**City Register's Office**") on _____, 202__, under CRFN _____ (as the same may have been amended, hereinafter called the "**Declaration**"), shall have the same meanings in this Residential Unit Owner's Power of Attorney as in the Declaration.

The undersigned: _____, having an office/residing at: _____, the owner of the condominium unit (hereinafter called the "**Unit**") known as Unit No. _____ at the Condominium, said Unit(s) being so designated and described in the Declaration and also designated as Tax Lot ___ in Block 1497 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by SLCE Architects, LLP, on _____, 202__, and filed with the Real Property Assessment Bureau of the City of New York on _____, 202__, as Condominium Plan No. _____ and also filed in the City Register's Office on _____, 202__, as Condominium Plan No. _____, [does/do] hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute:

A. the Board of the Condominium (the "**Board**"), jointly true and lawful attorneys-in-fact for the undersigned, coupled with an interest (in such form and content as the Board shall determine), in the name of the Board or its designee, corporate or otherwise, but subject in all respects to the provisions of the Declaration and the By-Laws (collectively, the "**Condominium Documents**"), then in effect, to:

(i) acquire in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, title to any Unit, together with its appurtenant Common Interest:

(a) in connection with the enforcement of the Board's lien for unpaid Common Charges;

(b) whose owner desires to surrender the same to the Board; or

(c) which becomes the subject of a foreclosure or other similar sale; on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper;

(ii) acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, any Unit, together with its appurtenant Common Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by such attorneys-in-fact in its

reasonable discretion;

(iii) after any such acquisition, or leasing, to convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any such Unit so acquired or to sublease any Unit so leased by them, without the necessity of any further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in and to said Unit which the undersigned could do if personally present; and

(iv) execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office:

(a) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission or any other public authority (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium; or

(b) any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium, or any of the Common Elements, in each case that the Board deems necessary or appropriate.

B. 1165 Madison Ave Owner LLC (in its capacity as a Declarant under the Declaration and as sponsor of the condominium offering plan for the Condominium, the "**Sponsor**"), true and lawful attorney-in-fact for the undersigned, coupled with an interest (in such form and content as the Board shall determine), with power of substitution in the name of its designee (corporate or otherwise), even after no Unsold Units remain, but subject in all respects to the provisions of the Condominium Documents then in effect, to execute an amendment to any of the Condominium Documents to effectuate the rights granted to Sponsor thereunder, or acquire any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Sponsor, or obtain a permanent certificate of occupancy or an amended certificate of occupancy for all or any portion of the Building, or any of said documents, even after no Unsold Units remain, when such amendment:

(a) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Sponsor in accordance with the Declaration; or

(b) shall be required by: (1) a Permitted Mortgagee designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) any title insurance company selected by Sponsor to insure title to any Residential Unit; and

C. The person or entity who shall constitute from time to time the Declarant (in its capacity as owner of the Development Rights under the Declaration, and any assigns or successor

in interest to the Development Rights, including a Development Rights Purchaser), true and lawful attorney-in-fact for the undersigned, coupled with an interest (in such form and content as the Board shall determine), with power of substitution in the name of its designee (corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents, then in effect, to amend this Declaration and to effectuate the rights granted to the owner of the Development Rights under the Declaration and the By-Laws and the Offering Plan and to consent on behalf of the undersigned, as a party in interest, to any declaration or other agreement, including without limitation, a zoning lot development agreement, easement agreement or license agreement, effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot for the purpose of utilizing, or of transferring to or from the Declarant, or its successors or assigns, all or any portion of the Development Rights.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the ___ day of ____, 202__.

_____

_____

STATE OF _____)
) ss.:
COUNTY OF _____)

On the ____ day of _____, 20___ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF _____)
) ss.:
COUNTY OF _____)

On the ____ day of _____, 20___ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

EXHIBIT 3

FORM OF RESIDENTIAL UNIT DEED

RESIDENTIAL UNIT DEED

1165 Madison Ave Owner LLC

TO

_____

1165 Madison Avenue Condominium

1165 Madison Avenue
New York, New York 10028
Unit _____

County:	New York
Block:	1497
Lot:	_____

Record and Return to:

CONDOMINIUM UNIT DEED

THIS INDENTURE is made the ___ day of _____, 202__, by and between **1165 Madison Ave Owner LLC**, a Delaware limited liability company having an address at c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York Holland & Knight (hereinafter called "**Grantor**") and _____, having an address at _____ (hereinafter called "**Grantee**").

W I T N E S S E T H:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Condominium Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as 1165 Madison Avenue Condominium and by the street address 1165 Madison Avenue, New York, New York 10028, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit _____ in that certain declaration, dated as of _____, 202__ , made by Grantor, Declarant, pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Land is more particularly described in Schedule A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York (the **"City Register's Office"**) on _____, 202__, as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "**Declaration**"). The Unit is also designated as Tax Lot ___ in Block 1497 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of The City of New York and on the Floor Plans of the Building certified by Architecture by Domani, DPC, on _____, 202__, as Condominium Plan No. ___ and also filed in the City Register's Office on _____, 202__, and filed with the Real Property Assessment Bureau of The City of New York on, 202__, CRFN _____;

together with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration) of 1165 Madison Avenue Condominium;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and By-Laws of 1165 Madison Avenue Condominium, as each of the same may be amended from time to time (said By-Laws and any amendments thereto are hereinafter collectively called the "**By-Laws**"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to such other liens, agreements, covenants, easements, **TO HAVE AND TO HOLD** the same unto Grantee, and the heirs or successors and assigns of 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 that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Except as otherwise specifically provided in the Declaration or in the By-Laws, the Unit is intended for residential use only.

Grantor covenants that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Offering Plan and the Purchase Agreement (each as defined in the By-Laws), and the Declaration and By-Laws. This covenant is for the personal benefit of Grantee only and cannot be assigned to, exercised by, or inure to the benefit of any other person or entity, including, without limitation, any insurer of Grantee's title or successor to Grantee's interest.

In the event of a claimed breach of any covenant of Grantor contained in the preceding paragraph, Grantee shall first seek recovery against Grantee's title insurer before proceeding against Grantor for any breach of such covenants, it being agreed that the liability of Grantor shall be limited to the extent only that any loss or damage shall not be covered by such title insurance. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York State Land Title Association, Inc. in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that 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 improvements at the Property required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby 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, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This conveyance is made in the regular course of business actually conducted by Grantor. The Unit is not subject to a credit line mortgage.

The term "**Grantee**" shall be read as "**Grantees**" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of

the day and year first above written.

1165 Madison Ave Owner LLC, a limited liability company

By: _____
Name:
Title:

PURCHASER:

_____
(Purchaser's Signature)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the ____ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF THE LAND

The land upon which the Building containing the Unit is erected is described as follows:

TO BE INSERTED

EXHIBIT 4

DESCRIPTION OF PROPERTY AND BUILDING CONDITIONS

DESCRIPTION OF PROPERTY AND SPECIFICATION

NEW YORK, NEW YORK

A. *Location and Use of Property*

1.	Address:	1165 Madison Ave., New York, New York 10028
2.	Block: Lot No.:	1497 53
3.	Zoning:	C5-1/R-10
4.	Permissible Use: Zoning	Use Groups 6 Commercial (MP) / 2 Residential as per NYC Resolution.

5. To the best of our knowledge, the property and proposed use complies with all zoning and use requirements at closing.

B. *Status of Construction*

1. The Building is to be new construction which the first Temporary Certificate of Occupancy (TCO) is anticipated to be on or about June 30, 2023 and substantial completion will be December 30, 2023 unless delayed by weather, strikes, lockouts, acts of God, pandemics, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control. The estimated start of construction shall commence on or before April 1, 2021.

2. Class of Construction: The Building will be constructed under the 2014 Building Code Construction Class 1B, Non-Combustible. The Building will conform to all applicable regulations of the Building Code. The fire resistance rating requirements for type 1B includes a 2 hour rating for floor construction and structural columns. The fire rating for building elements will be in compliance with table 601 of the Building Code. The fire rating of the exterior walls will be in compliance with table 602 of the Building Code based on the fire separation distance.

TABLE 601 FIRE-RESISTANCE RATING REQUIREMENTS FOR BUILDING ELEMENTS (hours)

BUILDING ELEMENT	TYPE I		TYPE II		TYPE III		TYPE IV	TYPE V	
	A	B	A[d]	B	A[d]	B	HT	A[d]	B
Primary structural frame[g] (see Section 202)	3[a]	2[a]	1	0	1	0	HT	1	0
Bearing Walls									
Exterior[f,g]	3	2	1	0	2	2	2	1	0
Interior	3[a]	2[a]	1	0	1	0	1/HT	1	0
Nonbearing walls and partitions Exterior	See Table 602								
Nonbearing walls and partitions Interior[e]	0	0	0	0	0	0	See Section 602.4.6	0	0
Floor construction and secondary members (see Section 202)	2	2	1	0	1	0	HT	1	0
Roof construction and secondary members (see Section 202)	$1^1/_2$[b]	1[b,c]	1[b,c]	0[c]	1[b,c]	0	HT	1[b,c]	0

TABLE 602 FIRE-RESISTANCE RATING REQUIREMENTS FOR EXTERIOR WALLS BASED ON FIRE SEPARATION DISTANCE[a, e]

FIRE SEPARATION DISTANCE = X (feet)	TYPE OF CONSTRUCTION	OCCUPANCY GROUP H[f]	OCCUPANCY GROUP F-1, M,S-1[g]	OCCUPANCY GROUP A, B, E, F-2, I, R,S-2[g], U[b]
X < 5[c]	All	3	2	1
5 ≤ X< 10	IA	3	2	1
	Others	2	1	1
10 ≤ X< 30	IA, IB	2	1	1[d]
	IIB, VB	1	0	0
	Others	1	1	1[d]
X ≥ 30	All	0	0	0

3. Certificate of Occupancy: Prior to completion of construction sponsor will apply for a TCO for the Building from the N.Y.C. Department of Buildings (DOB). Prior to closing on a residential unit, sponsor will obtain a TCO covering such residential unit. After completion of construction, Sponsor will apply for a Final Certificate of Occupancy for the Building from the DOB.

4. NYC DOB NB Application # 121208102 NB Permit # 121208102-01-NB dated May 1, 2020.

5. The building is not a quality housing project.

C. *Site*

1. Size: The total site area is approximately 6,358 SF, and dimensions are approximately 101'-9 1/4" by 61'-9 3/4".

2. Number of Buildings and Use:

The project will consist of the construction of one (1) 14 story (construction floors) building with roof and two (2) cellars below grade. All floor numbering in this property report will correspond to marketing floors. The Building will be comprised of twelve (12) Residential Units, and two (2) Commercial Units.

(a) Sub-cellar (Amenity) level will contain: Residential amenity areas including a squash court, a gym, a children playroom, a theater, toilet room, and one (1) mechanical room.
(b) Cellar level will contain: Bike room, residential storage units, lift control room, water meter/ pump room, detention tank, ATS room, ARC/ Telecom room, gas meter room, fire pump room, electrical room, retail storage, super's workshop, trash compactor room, and trash storage room, nine (9) equipment rooms in total.
(c) First (1st) floor will contain: Residential lobby, residential elevator lobby, package room, two (2) Commercial Units w/ toilet rooms, service elevator and service entrance.
(d) Third (3rd) floor will contain: Two (2) Residential Units, (2) private residential terraces, refuse room, and elevator lobby.
(e) Fourth (4th) floor will contain: Lower portion of one (1) Duplex Residential Unit, one (1) Residential Unit, refuse room, and elevator lobby.
(f) Fifth (5th) floor will contain: Upper portion of one (1) Duplex Residential Unit, one (1) Residential Unit, refuse room, and elevator lobby.
(g) Seventh (7th) thru Ninth (9th) floors will each will contain: One (1) Residential Unit, two (2) private residential terraces, refuse room and elevator lobby.
(h) Eleventh (11th) floor will contain: One (1) Residential Unit, three (3) private residential terraces, refuse room, elevator lobby.
(i) Twelfth (12th) floor will contain: One (1) Residential Unit, two (2) private residential terrace, elevator lobby, refuse room.
(j) Fourteen (14th) floor will contain: Lower portion of one (1) Duplex Residential Unit, one (1) private residential terrace, elevator lobby, refuse room.
(k) Fifteen (15th) floor will contain: Upper portion of one (1) Duplex Residential Unit, two (2) private residential terraces, elevator lobby, refuse room.
(l) Seventeen (17th) floor will contain: Lower portion of one (1) duplex Residential Unit, three (3) private residential terraces, refuse room, elevator lobby.
(m) Eighteen (18th) floor will contain: Upper portion of one (1) Duplex Residential Unit, two (2) private residential terraces, elevator lobby, refuse room.
(n) Nineteen (19th) floor (Main Roof) will contain: Public terrace, mechanical room, and elevator control room.
(o) Mechanical Equipment Platform 1 will contain: Mechanical equipment.
(p) Mechanical Equipment Platform 2 will contain: Mechanical equipment.
(q) Mechanical Equipment Platform 3 will contain: Mechanical equipment

3. Streets owned or maintained by the project:

The property contains approximately 101'-9 1/4" of frontage on Madison Avenue, and approximately 61'-9 3/4" of frontage on East 86th Street. The streets are paved with asphalt and are owned and maintained by the City of New York. There are no catch basins on the site. No

new street lighting will be installed. The existing street lights on East 86th Street and Madison Avenue will remain and is in serviceable condition.

4. Drives, Sidewalks and Ramps:

   a. The sidewalks adjacent to the property on both Madison Avenue and East 86th Street will be replaced with a new concrete sidewalk running the full width of the property line. New concrete sidewalks will comply with the Department of Transportation requirements, and will be pitched to drainage at the curb. Sidewalks, curbs and curb cuts will be maintained by the Condominium or the Commercial Unit as required.

   b. Pedestrian curb ramps where applicable, will comply with New York City Department of Transportation requirement and ADA requirements.

5. A potential source of noise and approximity to the property currently includes vehicular traffic on Madison Avenue.

D. *Utilities*

Utilities services will be provided to meet the requirements of the systems designed.

1. Electricity:

   Electricity: 120/208 volt, 3 phase, 4 wire electric service provided by Con Edison of New York enters the Building from Madison Avenue and terminates in the Cellar electrical switchgear room. Electricity consumption for the residential section of the Building will be direct metered. Each Residential Unit will be individually direct metered and billed to the Residential Unit owner directly from the utility company. The electricity consumed in the common areas (including the electricity required to power the Building's Heating and Air Conditioning systems and any supplemental electric heating elements or heaters located in same) will be directly metered by Con Edison and the cost will be borne by the Residential Units' Owners as a Common Expense and will be allocated to each as noted in the budget.

   The Commercial spaces are directly metered by Con Edison.
   Electricity costs associated with the Commercial Unit will be paid by the Commercial Unit owner directly to Con Edison.

2. Gas:

   Con Edison of New York will supply natural gas to the Building for the residential cooking appliances, residential dryers, residential and lobby fireplaces, residential outdoor grills, and gas fired domestic hot water heaters which will generate the Domestic hot water. A dedicated gas service will be provided for the emergency generator.

All gas distribution systems will be installed in accordance with the Building Code.

Two (2) utility gas meters will be provided as follows:
1. Emergency generator (common charge)
2. Residential cooking, dryers, grills, fireplaces and gas fired domestic hot water heaters (Residential common charge)

The building emergency generator is located on the Mechanical Equipment Platform 2 of the Building and the gas service is located at the Cellar level.

Gas consumed by the building will be borne by all residential units' owners as a common expense.

3. Water and Sewer:

Water and Sewer service are provided by NYC Department of Environmental Preservation (DEP) a public utility. A new 4" domestic water service with curb valve connects to city water main at East 86th street as well as a dedicated 6" combined fire service with curb valve connects to the city water main at East 86th street. The domestic water and fire service will be individually mastered metered by NYC DEP. The meter will measure actual water usage and usage will be commonly charged. The commercial retail unit water consumption will be sub metered.

There will be one 8" diameter combined water/sewer outflow from the Building, discharging to East 86th street. The sanitary system is designed for gravity flow through vented branches, stacks, and building drains. Sanitary systems serving floors below grade will go to a duplex sewage ejector manufactured by Federal (or equal). Sewer is un-metered. Any sewer charges will be commonly charged.

4. Telephone / Internet:

All voice, broadband and video providers will deliver their respective infrastructure into an incoming service room which will contain the main distribution frame (MDF) located in the Cellar Main Telecommunication room of the Building.

Each Residential Unit will receive one (1) 1.5" dedicated conduit from the Building core telecommunications riser room for delivery of voice, broadband, and video services to the respective residential unit. This conduit will terminate in each Residential Unit and network interface device (NID), Structured Media Panel (SMP) enclosures located inside each Residential Unit. From the NID/SMP, the cabling infrastructure will be distributed to each multimedia outlet within the unit using a star topology. The cabling system within each Residential Unit is established as a "Grade A" residential cabling system with each multimedia outlet consisting of the following cabling:

One (1) or two (2) CAT-6 4-pair UTP cable(s) and one (1) RG-6U quad-shield coaxial cable.

a. Internet Access: All Residential Units throughout the Building will be wired for internet access.

b. Each Residential Unit Owner that subscribes will pay all charges for internet access services, including subscription charges directly to the provider.

c. In each Residential Unit, multimedia outlets (voice/data/video) will be provided in the living room and in each bedroom.

d. All Residential Units will be able to acquire cable or Verizon FiOS television services.

e. Each Residential Unit Owner that subscribes will pay all charges for television services, including subscription charges directly to the provider.

f. Each Residential Unit will be provided with an intercom system permitting verbal communication with the residential lobby front desk.

Charges for telephone services in public areas of the building (such as concierge desk, maintenance office etc.) will be borne by the residential units' owners as a common expense.

7. Cable Television / Satellite TV:

All Residential Units, and the Commercial Unit will be able to acquire cable television services from one or more third party providers supported by the Building. Each Unit Owner shall be responsible to procure and pay the provider directly for all charges associated with their cable television service, including subscription charges and any additional jack and wiring fees.

The Building infrastructure has provisions to support at least two (2) different subscription television providers.

Each residential unit that subscribes will pay all charges for cable television services including installation and subscription charges directly to the provider company.
Charges for common spaces services will be borne by the residential units' owners as a common expense.

8. Distributed Antenna System:

None.

E. *Sub-Soil Conditions and Foundation*

1. Sub-Soil Conditions:

   a. The general subsurface stratigraphy consists of a layer of fill underlain by a layer of dense to medium dense sands with various amounts of silt, little amount of rock fragments and cobbles. Underlaying the sand is a layer of weathered rock overlying bedrock. The weathered rock was encountered between elevation (NAVD88) 63 to 82. The top of competent bedrock elevation varied between 61 to 76.

   b. Groundwater levels were recorded at about 12 to 16.75 feet below sidewalk grade, corresponding to NAVD88 elevations 86.2 to 81.7.

   c. This site is not located in a FEMA flood zone.

   d. No hazardous materials and environmental restrictions are present on site.

2. Foundations:

   a. The core shear walls and the north moment resisting frame at the Sub-cellar level will be supported by mat footings. These mat footings as well as building columns are supported by class 1c rock with a minimum allowable bearing capacity of 20 tons/sq.ft (center and west side of the site) and rock class 1d with allowable minimum bearing capacity of 8 tons/sq.ft (at shear core mat and at North -East corner). At the south side of the building the shear wall and columns will be supported by a system of caissons placed at cellar level. Caissons will also be used to support the North -East corner of the moment resisting frame. The caisson cap at this location be placed at cellar level as well. 6" thick slab on grade will be placed over the surface drainage and a layer of waterproofing to prevent the penetration of water. Concrete with compressive strength of 4000psi will be utilized for slab on grade construction. 8000psi concrete will be used for foundation mats, spread footings and caisson caps.

   b. A system of rock anchors is required to resist tension loads in the shear core mat resulting from lateral wind and seismic forces. At the same time these anchors will prevent uplift due to possible water pressure

   c. The perimeter of the Building below the street level is enclosed by foundation walls ranging between 12''-24'' in thickness with specified concrete compressive strength of 6000psi. These walls are laterally braced/supported by the slab diaphragms of the cellar and 1st floor slabs.

   d. All the underground concrete work will be provided with a waterproofing membrane and joint sealant to decrease the possibility of water infiltration. The below-grade waterproofing system is a fully enclosed positive-side membrane manufactured by GCP Applied Technologies that comprises Preprufe 300R for the subcellar floor-slab, Preprufe

160R for foundation walls, Hydroduct 220 drainage composite as a substrate, DeNeef Swellseal as waterstop, and Bituthene 3000 around pits and accessible foundation wall areas.

e. There is no potential for erosion or mudslides because the development site is in an urban setting with flat paved ground all around the project site.

F. *Landscape:*

1.	Grass cover	-	There will be 2 small green roofs on Floor 19th.
2.	Plantings	-	None
3.	Trees	-	On Madison Avenue, there will be three (3) existing trees on-site, and one (1) new tree off-site. On East 86th Street, there will be one (1) existing tree on-site, and one (1) new tree off-site.
4.	Fencing	-	None
5.	Gates	-	None
6.	Garden Wall	-	None
7.	Retaining Wall	-	None
8.	Display Pools and Fountains	-	None

G. *Building Size*

1. Total Height: The total height of the Building from the residential entry lobby, to the top of the bulkhead enclosure will be approximately 249’-5”.

2. Crawl Spaces: None

3. Sub-Cellar: One (1)

4. Cellar: One (1)

5. Number of Floors: 14 Stories (construction), 18 Stories (marketing), 2 cellars and a roof.

The floors of the Building are designated Sub-cellar to Roof. For marketing purposes there is no 2nd, 6th, 10th, 13th or 16th floors and the floor references in the Offering Plan and in this Property Report are in accordance with such marketing designations. Construction necessitates a sequential numbering of floors. Therefore, two different methods of numbering of floors exist and are shown below, construction and marketing floors. All references to floor numbers in this Property Report are to marketing floors unless otherwise indicated.

CONSTRUCTION FLOOR	MARKETING FLOOR
Sub-cellar	Amenity
Cellar	Cellar
1	Lobby
2	3
3	4
4	5
5	7
6	8
7	9
8	11
9	12
10	14
11	15
12	17
13	18
14 (Main Roof)	19 (Main Roof)
Mechanical Equipment Platform 1	Mechanical Equipment Platform 1
Mechanical Equipment Platform 2	Mechanical Equipment Platform 2
Mechanical Equipment Platform 3	Mechanical Equipment Platform 3

6. Mechanical and Equipment Rooms: Located at Cellar and Roof.

7. Parapet: The height to the top of railing will be a minimum of 3'-6" from finished floor of roof or terrace.

H. *Structural System*

The Building gravity structural system will be comprised of reinforced cast-in-place concrete flat plate construction. The floor slabs are supported by concrete columns and shear walls constructed of high strength concrete.

Underpinning will be required for a portion of the adjacent 16-story building located at 35 East 85th Street. The underpinning will be along the eastern section of the excavation spanning about 56 ft in the north-south direction.

Sub-grade drainage system will be installed. It is a passive under-slab drainage system consisting of perforated piping wrapped in geo-filter fabric and laid in a gravel stone base below the slab-on-grade. The piping is a collector system to direct any infiltrating ground water into a sediment and ejector pit to be removed. Additionally the foundations will be waterproofed with a continuous membrane.

1. Exterior of Buildings:

   a. Landmark Status: None. The Building is not located in a landmark district.

   b. Exterior walls: The exterior walls will consist of precast concrete, limestone, and metal panels. Walls will typically be insulated with a minimum 2" of XPS insulation (R-5 per inch). The fire rating of the exterior walls will be in compliance with table 602 of the Building Code based on the fire separation distance.

   c. Exterior solid walls abutting adjacent existing building will have 5" of mineral wool semi-rigid insulation (R-4 per inch) and 2" closed-cell spray insulation R-13 at CMU wall, and 4" of mineral wool semi-rigid insulation (R-4 per inch), 1" Styrofoam extruded polystyrene rigid (R-5 per inch) and 2" closed-cell spray insulation R-13 at concrete wall.

   d. Windows: To be constructed of aluminum frames and 1-1/8" insulated Low "E" glass. Windows will be fixed and/or in-swinging casement type. The windows will be cleaned from the inside, or outside from Building setbacks and terraces. All operative windows will be provided with limit stops to prevent the window from being opened more than 4" (as required by the Department of Health), and no screens. All window assemblies will have a thermal break. The exterior window sills will be stone and precast, and the interior sills will be wood and stone. In case where top of the window is not supported by main building framing, reinforced CMU grout filled block lintels are used over the window opening.

   e. The aluminum windows will be manufactured by AWM, Schuco, or equal. The aluminum windows will have manufacturer warranty of five (5) years. The insulated glass units will have a warranty of ten (10) years.

   f. Lot Line Windows:
   These windows are provided with sprinklers but may be required to be closed up if the adjoining Property is ever redeveloped with one or more buildings of different configurations than that which is now located on the same. The habitable rooms having these windows have other windows that, under the existing building codes, will satisfy light, air and other requirements for the lawful use of such rooms for habitation purposes.

These windows in the Residential Units are identified on the floor plans that follow this Report.
Lot line windows on the East side of the Building are provided in the following residential units: approximately 6'-0" by 10'-6" windows in Units 3S, 4S, 5S (floors 3-5), approximately 6'-0" by 7'-6" windows in Units 7TH, 8TH, 9TH, PHA, PHB (floors 7-12), and approximately 6'-0" by 10'-6" windows in Units PHC (floors 14,15).

g. Storefront: To be constructed of aluminum and insulated glass. The storefront assembly will be thermally enhanced. The storefront will be manufactured by YKK, Kawneer, or equal. The storefront will have manufacturer warranty of three (3) years.

h. Exterior Facade will be maintained in accordance with the New York City maintenance requirements. Maintenance of the facade will be borne by the Unit Owners as a General Common Expense.

i. Since the Building is new construction, once the first TCO is obtained, the property will have a five (5) year grace period before the initial façade inspection is required under LL11/98. It is anticipated that the initial TCO will be obtained in June 2023. The Condominium will be responsible for compliance under LL11/98 and the costs associated thereto will be borne by the Unit Owners as a General Common Expense.

2. Parapets and Copings:

The parapets will be an extension of the exterior wall and will either be precast concrete, limestone, coated aluminum metal railing, or glass railing. The parapets will be comprised of concrete curb, air & moisture barrier membrane, 2" XPS insulation, flashing and stone coping. The parapet height will be a minimum of 3'-6" from the finished walking surface of roof or terrace.

3. Chimney and Caps:

a. Refuse chute: Refuse chute will be coated aluminum metal chute terminating above the roof, a vent, louvered vent with screen will be provided.

b. One (1) fireplace, model FDN-5-SS (Heat & Glo) or equal, will be provided at the Residential Lobby. One (1) fireplace, model TC36D (Town & Country) or equal, will be provided at Residential Unit 3N, Residential Unit DUPLEX, Residential Unit 7TH FLOOR, Residential Unit 8TH FLOOR, Residential Unit 9TH FLOOR, Residential Unit PHA, Residential Unit PHB, Residential Unit PHC, and Residential Unit PHD. Fireplaces will be gas fired and not usable for wood fires. The flues shall be factory fabricated steel, with refractory lining, with combustion air louver with screen at point of discharge. The fireplaces will have manufacturer warranty of two (2) years.

c. Generator Flue: A double-wall sidewall stainless steel chimney will be provided for venting products of combustion from the emergency standby generator. The generator flue will terminate 3' above the highest construction at the Mechanical Equipment Platform 3.

d. Domestic Hot Water Heaters Flue: Two (2) double-wall stainless steel flues will be provided for venting products of combustion from the domestic hot water heaters, and the flues will terminate 3' above the highest construction at the Mechanical Equipment Platform 3.

4. Balconies and Terraces:

Residential amenity terrace is located on Floor 19.

Eight (8) private juliet balconies occur on Floor 3 (Unit 3N), three (3) private juliet balconies occur on Floor 3 (Unit 3S), fourteen (14) private juliet balconies occur on Floor 9 (Unit 9TH), and one (1) private juliet balcony occur on Floor 18 (Unit PHD).

Private terraces occur on Floors 3 (Unit 3S), 11 (Unit PHA), 12 (Unit PHB), 14/15 (Unit PHC), and 17/18 (Unit PHD). The terraces may not be enclosed and must remain as built. No obstacle will be in the required fire department access paths at the terraces on Floor 3 (Unit 3S). Private terraces are limited common elements.

a. Deck Finish: The residential terrace will be finished with concrete pavers over the roofing membrane, drains to be either single or dual level cast iron drains. The concrete pavers are intended to withstand daily foot traffic. There is a twenty year no dollar limit warranty on roofing. There is a five year warranty on the concrete pavers and pedestals which covers manufacturer defects. There is a one year contractor warranty which covers work related issues to roofing, flashing, or metals. Sufficient drains are provided and are located in paved areas.

b. Balustrades: None

c. Railings: Aluminum/Glass. All railings will not create a ladder effect, in compliance with the Building Code.

d. Copings: Limestone and aluminum.

e. Exterior doors to terrace: Aluminum/Glass swing doors with weather stripping between the door and door frame will be provided. Assemblies include a thermal break. All terrace doors will be manufactured by AWM, Schuco or equal.

f. Soffits: Limestone and aluminum.

g. All exterior metals, including fastener will be corrosive resistant.

h. Roof drains are provided at terraces and connected to the leader and storm drainage system. All exterior metals including the fasteners will be corrosion resistant.

i. A gas line will only be included with the sale of certain residential units with a private terrace. These residential units include Unit 3S, PHA, PHB, PHC, and PHD.

j. Lighting: Wall mounted decorative sconces and/or wall recessed steplights will be provided to illuminate each terrace. The light fixture manufacturers will be Bega or equal.

5. Exterior Entrances:

a. The main residential lobby entrance on Madison Avenue will have a pair of metal/glass swing doors. The residential Lobby main entrance complies with ADA requirements including a low profile ADA saddle free from tripping hazard. Assemblies are thermally enhanced.

b. The Commercial Unit A entrances will be two (2) single leaf of metal and glass swing door on East 86th Street and two (2) single leaf of metal and glass swing door on Madison Avenue.

c. The Commercial Unit B entrance will be one (1) single leaf of metal and glass swing door on Madison Avenue.

d. Storefront doors and residential entrances will be custom engineered and fabricated by Five Elements, Hi-tech or equal. Exterior entrance hardware will be provided by the storefront manufacturer including mortise cylinders and cores, and will comply with ADA requirements. Access card readers or similar access control mechanisms will be located, and card keys or similar devices will be used for entry.

e. Canopies:

(i) Residential: There is a metal fabric marquee located at the residential entrance. Drainage system designed is adequate per code.

(ii) Commercial: None

f. Exterior Stairs: None

g. Railing: None

h. Mail Boxes: None. Mails will be secured and distributed at the residential lobby front desk.

i. Lighting:

1. Wall mounted decorative sconces flanking the building entrance and recessed downlights will be provided at the residential lobby entrance. The downlight fixture manufacturer will be Gotham Incito, or equal.

2. Street lighting will be provided primarily by the existing sidewalk light poles.

6. Service Entrances:

There will be a service entrance located off East 86th Street, at the north east corner of the Building.

a. Doors and frame will be hollow metal.

b. Gates: None

c. Exterior Stairs: None

d. Railing: None

e. Adequate interior and exterior lighting will be provided at the service entrance.

f. All exterior metals including fasteners will be corrosive resistant or equal.

g. Lighting: A recessed downlight will be provided. The light fixture manufacturer will be Gotham Incito, or equal.

7. Roof and Roof Structures:

a. Type of Roof:

Material: The roofing systems, as manufactured by Siplast, or equal, will be 2 ply modified bitumen roofing member with cold fluid applied flashing. There are three types of roofing assemblies. The first is a conventional roofing assembly, where the roofing membrane is both the waterproofing surface and the walking surface and the insulation is below the roofing membrane. These occur at the unoccupied mechanical roofs and bulkhead roofs, approximately 1,212 SF. The second roofing assembly is a protected roofing assembly or an IRMA configuration roof assembly, where the walking surface

are concrete pavers over insulation and drainage mats, and the waterproofing is beneath the drainage mat. These occur at the occupied roof terraces, approximately 631 SF. The concrete pavers are intended to withstand daily foot traffic. There is a twenty year no dollar limit warranty on roofing. There is a five year warranty on the concrete pavers and pedestals which covers manufacturer defects. The third roofing assembly is a green roof, where the green roof typical profile by manufacturer is over insulation and drainage mats and waterproofing is beneath the drainage mat, and comply NYC Building Bulletin 2019-010 for a sustainable roofing zone. These occur at the unoccupied two roof areas adjacent to the mechanical room adjacent to the elevation control room, approximately 527 SF, and PE1 elevator overrun, approximately 182 SF. There is a one year contractor warranty which covers work related issues to roofing, flashing, or metals. The useful life expectancy is 25-30 years.

(a) Insulation: Insulation will be closed cell rigid foam with an R-factor of 30".

(b) Guarantee: The roofing system will have a twenty-five year no dollar limit manufacturer warranty for material and labor. The warranty period commences upon project completion.

(c) Metal Flashing Material: Base flashing, fluid applied waterproofing membrane counter flashing, and drain flashing will be aluminum or stainless steel.

(d) The floor finish on all private roof terraces will be concrete pavers. Concrete pavers will be professionally installed in accordance to manufacturer's requirements and installation.

(e) Mechanical equipment will be set on steel spring vibration isolators as required.

(f) All exposed roof dunnage will be galvanized steel which may be primed and painted.

(g) Approximately 631 square feet of roof terrace on Floor 19th will be used for recreational purposes, with occupant load of 19, and will be allocated as an accessory to residential use in Certificate of Occupancy. Access will comply with ADA requirements. All other terraces are not an accessory to residential use.

(h) The roof terrace on Floor 19th will be located at 100 feet above the sidewalk. The fire department access path is not required.

b. Drains:

Location: Floor 19, Mechanical Equipment Platform 1, amenity terraces, and private terraces. There will be a sufficient number of cast iron roof drains for each area requiring drainage per code. All roofs will be provided with adequate number of a combination

main and overflow drains with low silhouette domes and double top-set deck plate. The secondary overflow drain is similar to the main drain but with a 2-5/16" water dam around the dome. Roof Drain maintenance and responsibility will fall on Board of Condominium Management Company.

Metal gutter & drain over existing roofs located in the seismic joint, and bridging the two buildings allowing for movement. The typical silicone bellows seal & expansion system along building perimeter gutters allow for movement while maintaining a weatherproof enclosure.

c. Skylights:

Two (2) 4'-0"x4'-0" Bilco type LV automatic smoke vents, Lumivent w/ latch operation connected to the fire protection systems located at the stair A and B at the Mechanical Floor 2. Cover and frame are aluminum and coated for UV resistance.

d. Bulkheads:

(a) Stairs: Egress stairs will have CMU walls with waterproofing. Stairway access will comply with NYC Fire Code Chapter 10.

(b) Elevator: The elevator bypass will be part of the roof bulkhead. The walls will be concrete and CMU.

(c) Other: There will be mechanical equipment rooms and the elevator machine room within the roof bulkheads.

(d) Roof Hatch: There will be a steel roof hatch, steel cover with spring latch, and steel ladder providing access to the Bulkhead Roof.

e. Metal Work at Roof Levels

The roofs at the Mechanical Equipment Platform 1, 2, and 3 will not be for recreational use. Access is limited to building maintenance personnel.

(a) Exterior Stairs: None

(b) Vertical Ladders: Metal ladders and grate platforms will be provided for the cooling tower units and access to both the roof over elevator machine room, and Mechanical Floor 2 and 3.

(c) Railings: None.

(d) All exterior metals including fasteners will be specified as corrosion resistant.

f. Lighting:

(a) Roof: Building bracket mounted linear fixtures, to illuminate the pilasters, will be provided. The light fixture manufacturer will be Lumenpulse Lumenfacade, or equal.

(b) Bulkhead: Linear surface mounted fixtures, to illuminate the top of the bulkhead exterior walls, will be provided. The light fixture manufacturer will be Lumenpulse Lumenfacade, or equal.

g. Rooftop facilities:

(a) Rooftop antennae, cell phone towers, satellite dishes, lightening protection equipment: None.

(b) Furniture and equipment: Outdoor furniture and gas firepit will be provided by sponsor.

8. Fire Escapes: None

9. Yards and Courts: None. Yards and Courts are not required by NYC Zoning Resolution.

10. Interior Stairs:

a. Number of Stairs: There will be two (2) exit stairs (Stair A & Stair B) which will extend from Sub-cellar up to the 1st Floor, and from the 1st Floor up to the 19th Floor (Main Roof). Stair A will extend to Mechanical Equipment Platform 1 as metal open stair with snowmelt system. Egress stair C will extend from Sub-cellar to 1st Floor.

There will be a convenience stair provided in the Unit Duplex, PHC, and PHD.

The egress and convenience stairs will comply with all applicable code requirements.

b. Stair Enclosure: Egress stairs will be poured in place reinforced concrete shear walls, CMU, or fire rated drywall assembly. The construction of the egress stair enclosures, including the stairs, will meet the required fire rating per the Building Code. Egress Stair A from the 19th Floor to Mechanical Equipment Platform 1 will be metal open stair enclosed by reinforced concrete slab, wall, and shear wall. Convenience stairs will be open stairs.

c. Stair Construction: Egress stairs will be poured in place reinforced concrete. Egress Stair A from the 19th Floor to Mechanical Equipment Platform 1 will be S.S. grating for steps and platforms supported by galvanized steel channel stringers floating over concrete slab,

leaving gap between roofing membrane and steps to allow for proper drainage. Convenience stairs will be wood construction.

d. Stringers: Egress Stair A from the 19th Floor to Mechanical Equipment Platform 1 will be supported by galvanized steel channel stringers. Convenience stair stringers will be wood.

e. Treads: Egress stair treads will be poured in place reinforced concrete. Egress Stair A from the 19th Floor to Mechanical Equipment Platform 1 will be S.S grating for treads. Convenience stair treads will be wood.

f. Risers: Egress stair risers will be poured in place reinforced concrete. Egress Stair A from the 19th Floor to Mechanical Equipment Platform 1 will be S.S grating for risers. Convenience stair risers will be wood.

g. Guardrails: 3'-6" A.F.F. metal railings.

h. Balustrade: None

11. Interior Doors and Frames

a. Residential Unit entrances: Residential Unit entrances will be 1½ hr. fire rated solid core wood doors and hollow metal or fire rated wood frames and will meet the Building Code. Residential Unit interior doors will be solid core wood doors with wood or hollow metal frames. Interior doors will be manufactured by Mohawk Flush Doors, Incorporated or equal.

b. Public corridor doors and frames: Exit stair doors at public corridors will be 1½ hr. fired-rated hollow metal doors and frames and will meet the Building Code.

c. Doors and Frames at the service halls and doors to mechanical rooms, equipment, storage, utility rooms, will be 1½ hr. fire rated hollow metal doors and hollow metal frames.

d. Door hardware will be manufactured by Schlage, Omni, or equal.

e. Amenity doors will be either glass, hollow metal doors and frames, or solid core wood doors with wood frames, with fire ratings as required.

12. Vertical Transportation:
I. Elevators

a. Quantity of Passenger Elevators: 2

b. Elevator Designation: PE1, PE2

c. Type of Elevators: Gearless Traction in a machine room-less configuration.

d. Elevator Speeds: PE1 350fpm, PE2 350fpm.

e. Elevator Capacities: PE1 3500lbs, PE2 2100lbs
   i. PE1 will be used for Fire Access and can accommodate a 24" x 84" stretcher.

f. Type of Operation: Each elevator will be a simplex, automatic system.

g. Floors Served: PE1 SC,C,L-Roof; PE2: SC,C,L-PHD.

h. Doors: Automatic Operation.
   i. PE1-Front and Side Openings: Front Doors: 3'-6" wide, two speed-side opening: Side Doors: 3'-0" wide, two speed side opening.
   ii. PE2 3'-0" wide, one speed center opening.

i. Manufacturer: Hollister Whitney.

j. Model: H-W #GL 115-35L PMAC GEARLESS.

k. Machine Location: In the top of the shaft.

l. Other:
   i. Both elevators will be equipped with Phase I and Phase II Firefighter Emergency Operation.
   ii. Both elevators are ADA and accessibility complaint.
   iii. The elevators will be installed in accordance with the 2014 New York City building code and ASME A17.1 2005.

m. Elevator cabs will be custom made using glass, wood, wall covering, leather and metal finishes with all required features for code compliance. The Alarm Safety system will be provided via a telephone connected to a 24 hour monitoring service. The cabs will include an alarm in accordance with the NYC Building Code. A key fob system will be provided for secure access to the residential floors.

II. Material Handling

a. Number of units: 1

b. Lift Designation: ML1

c. Type of Lift: Mechanical straddle, vertical reciprocating conveyor (VRC).

d. Speed: 12fpm

e. Capacity: 5000lbs

f. Manufacturer: Giant Lift Equipment Mfg. Co. Inc.

g. Model: RJS2000

h. Type of Operation: Manual with constant pressure switches in each lobby.

i. Floors Served: C,1

j. Doors: Manual swing hoistway doors

k. Machine Location: Overhead, in the shaft

l. Other:
   i. The lift is not ADA compliant and cannot take riders.
   ii. The lift will not be equipped with Fire Fighter Emergency Operation.
   iii. The lift will be installed per the New York 2014 building code and ASME B20.1-2006

m. Cab: Painted steel by the VRC manufacturer.

13. Interior walls: The various occupancies separated from each other by required fire resistance partitions as per BC 302.1 in accordance with BC 508.3.3.

INTERIOR PARTITION CLASS	REQUIRED FIRE RESISTANCE
A Stair Enclosure (Including Separation)	2 HR. Required Fire Resistance Rating
An Elevator Shaft	2 HR. Required Fire Resistance Rating
A Duct Shaft	1 & 2 HR. Required Fire Resistance Rating
A Public Hall	1 HR. Required Fire Resistance Rating
An Exit Passageway (Grade Level)	2 HR. Required Fire Resistance Rating
B&C Interior Partitions and Furring	0 HR. Required Fire Resistance Rating
Floor Construction	2 HR. Required Fire Resistance Rating

Residential demising walls. General demising partition construction comply with Building Code acoustical performance of STC 50. The assembly consist of two layers 5/8” gyp on each side of 18mil metal studs, with full depth insulation between studs, erected slab to slab. The demising partition separating adjacent apartments bedrooms assembly of STC 60, wall type with double

stud construction with 2 layers 5/8" gyp on each side of fully independent metal studs (no cross-bracing), with insulation between studs, erected slab to slab.

I. *Auxiliary Facility*

No public laundry room will be provide. Each residential unit will be provided with an electric washer and a vented gas dryer. Dryers are commonly vented through two vertical duct risers that combine to a central dryer exhaust fan located at Mechanical Level 3. Each dryer is also interlocked with a ceiling zone register terminal, located above the dryer, to provide makeup air from the building DOAS unit when the dryer is on.

1. Refuse Disposal

   a. Incinerator: None

   b. Refuse chute access door will be located in the service hall on each residential floor. At Unit PHD, the refuse chute access door is located at the lower duplex floor (17th Floor) only. Refuse chute contains a sprinkler head on every other floor.

   c. Compactor: There will be one (1) compactor located in the compactor room on the Cellar level, servicing the Residential Units. The compactor will be a Model MC-4000, by Metropolitan Compactors, or equal.

   d. Approvals: No special permit will be required.

   e. Initial Storage Location: The compacted bags will be stored in the trash compactor storage room until they are transferred to the street level for pick up.

   f. The New York City Department of Sanitation will pick up the bags from the curb outside the Building per their schedule.

2. Bicycle Room

Bicycle storage room will be located on the Cellar level. The bicycle storage room will allow for the storage of 6 bicycles in total. The walls will be constructed of poured concrete, CMU or fire rated drywall assembly. The bike racks will be wall mounted and manufactured by Ground Control, or equal. The room will be accessed by a hollow metal swing door. Access card readers or similar access control mechanisms will be located for access control. Security cameras will monitor the room.

4. Storage

Located in the Cellar level, Storage will be available for license to Residential Unit Owners pursuant to license agreements. There will be a total of 12 storage bins of approximately 16-21

square feet and a minimum of 7'-0" high. Storage units will be fabricated with heavy duty wire mesh partitions, ceiling and doors. The Storage units will be within rooms that will be accessed by hollow metal swing doors. Access card readers or similar access control mechanisms will be located for access control. Security cameras will monitor each room.

5. Mail room

None

J. *Plumbing and Drainage*

1. Domestic Cold/Hot Water Supply:

a. Water Supply: One (1) 4-inch domestic water service, and one (1) 6-inch dedicated fire water service will be provided from East 86th Street. Both services will enter the Cellar Water Meter/Pump room with shut-off services. A dedicated reduced pressure zone valve assembly provides back flow prevention for the domestic water service. This service is directly metered by DEP. All cold and hot water riser piping will be insulated in accordance with local energy code requirements. Domestic Cold Water, 1-1/4" and Smaller shall be 1/2 inch thick. Mineral Fiberglass. Domestic Cold water, 1-1/2" and Larger shall be 1 inch thick Mineral Fiberglass. Domestic Hot and Recirculated Hot Water 1-1/4 and Smaller shall be 1 inch thick Mineral Fiberglass. Domestic Hot and Recirculated Hot water 1-1/2 and Larger shall be 1-1/2" inch thick Mineral Fiberglass.
Potable water shall be supplied by New York City public water system administered and metered by the Department of Environmental Protection (DEP). The overall system will provide domestic cold-water distribution to all plumbing fixtures, including toilets, urinals, lavatories, janitor's sinks and water fountains. All plumbing fixtures will be in compliance with NYC Plumbing Code. The Commercial Unit's water consumption will be sub-metered.

b. Residential floors will be provided with cold and hot water through two (2) zones. These Zones are as follows:

Zone Number	Floors
Zone 1	Floors sub-cellar to 9
Zone 2	Floors 11-18

c. Pressure reducing stations will be provided for Zone 1 and will be located at cellar floor water meter room.

d. Domestic hot water will be provided by gas fired direct condensing hot water heater. Domestic hot water heaters will be manufactured by LOCHINVAR Model AWN801PM (or equal).

2. Fire Protection:

a. The new 6" fire service from East 86th Street supplies the automatic 500-gpm fire pump FP-1 and jokey pump JP-1, which are located in the Cellar fire pump room. These pumps serve to pressurize the fire suppression system in accordance with the requirements of NFPA 20. The fire pump will be ITT/A-C fire pump series #1580 model 6X6X11F-L or equal.

b. Fire service piping material will be Schedule 10 or 40 steel piping with grooved or threaded joints.

c. The building has full sprinkler coverage in accordance with NFPA 13 and New York City 2014 Building Code Chapter 9 and Appendix Q. Hazard Classification is Light Hazard. The building is provided with a Class I standpipe system in accordance with NFPA 14 and New York City 2014 Building Code Chapter 9 and Appendix Q. A 6" combined fire standpipe and sprinkler riser will be located in stair A enclosure and will be equipped with 2-1/2" fire department valves and a sprinkler floor control assembly at each floor. Tamper and flow switches shall be provided at the assemblies that will send a signal to the fire alarm system when triggered. Sprinkler systems on each floor are fed from these assemblies. A 6" fire standpipe riser will be located in stair B and will be equipped with 2-1/2" fire department valves. Locked storage cabinets will be provided inside the stairs shaft at 1st and 10th floors for fire department use.

d. Sprinkler heads:

Exposed QR Pendant or Upright Heads	Reliable F1FR or equal
Concealed QR Pendant Head	Reliable G4A or equal
Concealed Side Wall Heads	Reliable G6-56 or Similar
Extended Coverage Heads.	Reliable G6-80 HSW or similar QR Side Wall

In all areas without dropped ceilings, upright heads will be provided. In all finished areas with dropped ceiling, a combination of flush type concealed heads with plates and sidewall heads will be provided.

e. There will be one (1) combined Siamese fire department connection located on the street face of the building along Madison Avenue.

3. There are no water storage tanks in the building other than the detention tank which stores storm water for discharge to the sewer at Cellar. The tank will be constructed with 1'-0" reinforced concrete wall and waterproofing provided. The tank effective height is 7.0 ft; detention tank effective size shall be of ((2.76'x10.08')+(4.32'x10.5'))x7.0' capacity of 512.26 cuft (3,832 gallons) which is greater than the required capacity of 479.03 cuft (3,583 gallons).

4. Water Pressure: Pressure in the fire suppression system is maintained by the fire pump and jockey pump described above. Pressure in the domestic system is maintained by a duplex booster pump system serving the building. The pump set is Bell & Gossett model 33SV32GK4F60, each of the duplex pumps are 15 HP. They pump system is controlled by their own central control with VFDs. Standard 1 yr warranty.
   A cushion tank is provided for the system to maintain pressure in low flow situations.

5. Sanitary Sewage system:

   a. The sanitary system is designed for gravity flow through vented branches, stacks, and Building drains to a combined house sewer connected to the municipal combined sewer system. The 1st floor through the roof flows by gravity out to the street main.

   a. Sewage Piping: All above grade sanitary piping is service weight cast iron with no hub joints. Underground sanitary piping is service weight cast iron with neoprene push joints.

   b. All sanitary drainage in the cellar and sub-cellar levels, below combined house sewer level, will be connected to the sewer system through one duplex ejector pump located in a pit at the sub-cellar floor. The pump is a Federal Pump Model VSS-QD-4A-1-4 or equal Standard 1 yr warranty.

   c. There will be one (1) 8" combined sewer connected to street municipal sewer on East 86th street. All municipal sewers are existing.

   d. The Building sanitary system is connected to the Building storm drainage after the Building sanitary house trap and connects to the existing city sewer pipe on East 86th street.

5. Permit(s) required:

   Sewer connection – SCP dated 05/29/2020, Approved by DEP – 07/02/2020. Water Connect / BFP, application to be filed and Approved by DEP Plumbing Permit - Permit issued 10/14/2020.

6. Storm Water Drainage: Storm drainage will be provided via storm water detention tank and sump pumps.

   a. All building storm water drains to waterproof concrete detention tank at the Cellar. The detention tank outlet then connects to sanitary connection before connecting to existing city sewer pipe at East 86th Street. Controlled discharge flow from the storm detention tank is provided as per NYC DEP requirement. The tank has a total capacity of 1,287 cubic feet and restricts discharge to the sewers to 0.239 CFS.

   b. Below ground piping shall be service weight cast iron with neoprene push joints.

c. Above ground piping shall be service weight cast iron with no-hub joints.

d. There are no catch basins on the site.

e. Adequate drains are provided at all roofs, terraces, and areaways. Roof drains are cast iron drains embedded in the concrete structure and connected to the building storm drainage system

f. Duplex sump pumps are provided for sub-cellar underslab drain at the sub-cellar level with a sand interceptor pit. Pumps shall be Sulzer FEDERA Model P-2P-3/4-4 or equal.

g. Elevator simplex sump pumps shall be provided at the base of elevator pits. The sump pump in the elevator pit is a Federal Pump Model 1-2B-1/2-4-1 or equal. Standard 1 yr warranty.

K. *Heating*

The heating and cooling system is designed in accordance with ASHRAE 90.1 and is fully capable of maintaining legally required conditions under ASHRAE design criteria for the New York City geographic region. Design criteria ASHRAE 90.1 Climate Zone 4. The heating system is designed to maintain an indoor temperature of 72° F indoors when the outside temperature is 15° F. The cooling system is designed to maintain an indoor temperature of 75° F indoors when the outside temperature is 95° F.

Building Space Heating and cooling will be provided to the Residential Units and Amenity Spaces by a heat recovery Variable Refrigerant Flow System. Individual air-cooled condensing Heat Recovery units will be provided for each condominium unit (except for unit PHC which gets two (2) condensing units, one for each floor), capable of heating or cooling system operation. The Air-cooled condensing units will be the heat recovery variable refrigerant condensing systems (ie. VRF), capable of multiple refrigerant liquid and suction piping distributions loops from an indoor branch circuiting box to individual above ceiling ducted fan coil evaporator units, capable of providing cooling and heating at the same time for different indoor unit within the same apartment.
Units are individually controlled by wall mounted thermostats. The amenities and back of house spaces on sub-cellar to ground floor are also provided with a similar heat recovery VRV system with one system serving the 1st and Cellar floors and another system serving the Sub-Cellar floor. All the Air cooled condensing units are located at Mechanical Level 3 and shall be placed on steel dunnage with vibration isolators. The VRF systems will be manufactured by Daikin or equivalent See section 20.7 (M) for unit efficiency rating, capacity, location serving and model numbers. 10 year manufacturer warranty.

Two (2) 20 Tons 2 module air cooled heat pump condensers, located at Mechanical Level 3, are dedicated for the DOAS unit. The DOAS unit is located at Mechanical Level 2 and shall be placed on

roof dunnage with vibration isolators. Exterior ducts shall have 1-1/2" fiber glass board R-6 insulation. Ducts in unconditioned space shall have 1" fiber glass duct wrap R-3.5.

Electric floor radiant heating will be provided for all master suite bathrooms and peripheral secondary bathrooms. The radiant floor heating shall be manufactured by NUHEAT and provide 12 watts/ft heating. 12 years manufacturer warranty.

Electric cabinet and unit heaters are provided in stairwells, back of house spaces and mechanical spaces on Floor 19/Mechanical Equipment Platforms.

The building heating and air conditioning system is designed in accordance with ASHRAE 90.1 and is fully capable of maintaining the required conditions under ASHRAE 90.1 Climate Zone 4 design criteria for the New York City geographic region.

Temporary Heating is provided for the Commercial spaces by Electric Unit heaters and a 24" tall band of louvers is provided along the streets fronts for future HVAC system.

The commercial retail A shall be provided with (4) temporary 5 kw Ouellet electric unit heaters model OAEU5000AM-E-TB6 and (4) 2000 watt Ouellet wall heaters model OACU02008-T at the retail space vestibules. 3 year manufacturer warranty against defects.

The commercial retail B shall be provided with (3) temporary 5 kw Ouellet electric unit heaters model OAEU5000AM-E-TB6 and (1) 2000 watt Ouellet wall heater model OACU02008-T at the retail space vestibule. 3 years manufacturer warranty against defects.

Domestic hot water: Domestic hot water will be produced for the Building by (2) 800 MBH input 96% efficiency Lochinvar direct gas fired hot water heaters model AWN801PM or Equal (one is standby), each of which will have a rated minimum capacity to increase water temperature from 40 degrees Fahrenheit to 140 degrees Fahrenheit. The hot water heaters are located in the mechanical room at roof floor with two (2) 119 Gallon Storage Tanks. Hot water heater standard 2-year warranty. The Building is served by Two (2) domestic water heating zones, serviced by the two (2) hot water heaters; one as standby. 6 years manufacturer limited warranty.

The commercial space shall have its own hot water heater. Each commercial space bathroom hot water shall by supplied by a 2.5gallons 1440watt AO Smith electrical hot water heater model EPU-2.5. The hot water heater has a recovery efficiency of 98%.

1. Number of Boilers and Description: there are no boilers for this project.

2. Boiler Manufacturer & Age: N/A.

3. Burner Manufacturer & Age: N/A.

4. Type of Controls: N/A.

5. Radiator piping, insulation, valves, and pumps: N/A.

6. Heating ductwork insulation shall be 1-1/2" thick fiberglass batt insulation, R-value of 4.3

7. Fuel: Low pressure Natural Gas provided by Consolidated Edison of New York. There is no fuel oil for this project

8. Location of Oil Tank, Materials, Enclosure: N/A

9. Capacity of Oil Tank: N/A.

L. *Gas Supply*

The Building will be provided with 1" High pressure gas service which will serve the residential cooking ranges, residential dryers, residential and lobby fireplaces, residential and public terraces grills and the Domestic Hot Water Heaters. A 1" High pressure EDF gas service will be provided for the Building's 300 KW emergency generator. The gas services point of entry is from Madison Avenue.

1. Type: Natural gas

2. Meters: Two (2) gas meters will be provided by ConEd: One (1) for residential cooking, dryers, grills, fireplaces and Hot water heaters, and one (1) for the emergency generator.

   Each system will be direct metered. Gas consumed by residences via cooking, fireplaces, grills and dryers will be included in the Residential Common Charges.

3. Piping: Piping material will be black steel Schedule 40 pipe with Threaded or welded fitting based on pipe size and gas pressure in the piping as per code size requirement. All work will be in accordance with NYC plumbing code. Piping will be pressure-tested.

M. *Air Conditioning*

1. Type of System:
   Space heating and cooling are provided by Air-cooled Heat Recovery Variable Refrigerant Flow system: The Residential Units and Common Elements will have Air Handling units served by an air cooled condenser distribution system. The Condensers, located on mechanical level 3, will serve indoor branch circuiting boxes which will feed the indoor AC units of the residential units and building common areas. Commercial Units are provided with a street front band of louvers for future use by packaged Heat Pump units. 10 year manufacturer warranty.

The heating and cooling system is designed in accordance with ASHRAE 90.1 and is fully capable of maintaining legally required conditions under ASHRAE design criteria for the New York City geographic region. Design criteria ASHRAE 90.1 Climate Zone 4. The heating system is designed to maintain an indoor temperature of 72° F indoors when the outside temperature is 15° F. The cooling system is designed to maintain an indoor temperature of 75° F indoors when the outside temperature is 95° F.

The condensing units shall be placed on steel dunnage with vibration isolators. Ducts to be provided with weather resistant jackets. Rooftop piping shall be provided with 1" elastomeric pipe insulation.

2. Central System:

There are no cooling towers for this project. Condensing units are provided on Mechanical level 3. Variable Refrigerant Flow (VRF) units in all residential units and common area provide cooling and heating for the spaces. VRF units are, Daikin or similar. The VRF indoor air handler units in the residential units are hung in the ceiling of the Residential units. Unit sizes will range from 0.5 ton up to 4.0 tons. Each unit will consist of a supply fan, a filter box and return plenum box, and a direct expansion evaporator coil. Conditioned air is ducted from the VRF units to the various rooms by means of sheet metal duct work. VRF units are controlled by wall mounted thermostats. Indoor VRF units are connected to their respective branch controller box and outdoor condensing unit. VRF Condensing units shall be Daikin Model REYQ. The Building's cooling system has been sized to provide and maintain comfortable space conditions during periods of high outdoor ambient design conditions. Air Ducts will be insulated with 1" of felt insulation within the ducts and 1 ½" externally. The VRF units are provided with limited 10-year warranty.

Indoor Air Handler VRF Residential Units									
Market Floor	Branch Circuiting Box	Model No.	Space	AC Unit	Model No.	Capacity (Tons)	Electrical (V/P/HZ)	Cooling Capacity (BTU)	Heating Capacity (BTU)
Amenity	BC-1-SUBC	BS4Q54TVJ	Children Playroom	E	FXSQ18TAVJU	1.5	208/1/60	18,000	20,000
			Gym	M	FXTQ48TAVJUA	4.0	208/1/60	48,000	54,000
			Theater	M	FXTQ48TAVJUA	4.0	208/1/60	48,000	54,000
	BC-2-SUBC	BSQ36TVJ	AV closet	L	FXAQ12PVJU	1.0	208/1/60	12,000	N/A
Cellar	BC-2-C	BSQ36TVJ	Lift Control Room	J	FXAQ07PVJU	0.5	208/1/60	7,500	N/A
			ARC/Telecom Room	L	FXAQ12PVJU	1.0	208/1/60	12,000	N/A
	BC-1-C	BS8Q54TVJ	Squash Court	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
				G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
			Tenant	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000

			Storage						
			Compactor Room	J	FXAQ07PVJU	0.5	208/1/60	7,500	8,500
			Trash Storage	K	FXAQ09PVJU	0.75	208/1/60	9,500	10,500
			Super's office	J	FXAQ07PVJU	0.5	208/1/60	7,500	8,500
Lobby			Lobby	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
Fl 3	Apt 3N BC-2-2A	BS4Q54TVJ	Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Master Bdr	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
			Great Room	H	FXSQ36TAVJU	3.0	208/1/60	36,000	40,000
	Apt 3S BC-2-2B	BS4Q54TVJ	Bdr 2	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Master Bdr	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Foyer	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Great Room	H	FXSQ36TAVJU	3.0	208/1/60	36,000	40,000
Fl 4	Apt 4S BC-3-3B	BS4Q54TVJ	Master Bdr	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Great Room & Bdr 3	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
			Kitchen	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
	Apt DUPLEX BC-4-3A	BS6Q54TVJ	Great Room, Dining Room, Bdr 5	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Kitchen/Family Room	E	FXSQ18TAVJU	1.5	208/1/60	18,000	20,000
Fl 5			Master Bdr	F	FXSQ24TAVJU	2.0	208/1/60	24,000	27,000
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
	Apt 5S BC-4-4B	BS6Q54TVJ	Master Bdr	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 4	A	FXSQ07TAVJU	0.5	208/1/60	7,500	8,500
			Great Room & Kitchen	H	FXSQ36TAVJU	3.0	208/1/60	36,000	40,000
Fl 7	Apt 7 BC-5-5A	BS6Q54TVJ	Kitchen	E	FXSQ18TAVJU	1.5	208/1/60	18,000	20,000
			Living, Dining rooms, Bdr 5	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 2	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Master Bdr	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
Fl 8	Apt 8 BC-6-6A	BS6Q54TVJ	Kitchen	E	FXSQ18TAVJU	1.5	208/1/60	18,000	20,000
			Living, Dining rooms, Bdr 5	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 2	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Master Bdr	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
Fl 9	Apt 9 BC-7-7A	BS6Q54TVJ	Kitchen	E	FXSQ18TAVJU	1.5	208/1/60	18,000	20,000
			Living, Dining	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000

			rooms, Bdr 5						
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 2	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Master Bdr	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
Fl 11	Apt PHA BC-8-8A	BS6Q54TVJ	Bdr 5	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
			Living, Dining Rooms, Kitchen	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Master Bdr	F	FXSQ24TAVJU	2.0	208/1/60	24,000	27,000
Fl 12	Apt PHB BC-9-9A	BS6Q54TVJ	Great Room & Kitchen	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Bdr 5	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Master Bdr	F	FXSQ24TAVJU	2.0	208/1/60	24,000	27,000
Fl 14	Apt PHC BC-10-10A	BS8Q54TVJ	Master Bdr	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 4	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 5	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 6	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			WIC	A	FXSQ07TAVJU	0.5	208/1/60	7,500	8,500
Fl 15	Apt PHC BC-11-10A	BS4Q54TVJ	Bdr 7	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
			Great Room	G	FXSQ30TAVJU	2.5	208/1/60	30,000	34,000
			Dining Room	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Kitchen	F	FXSQ24TAVJU	2.0	208/1/60	24,000	27,000
Fl 17	Apt PHD BC-13-12A	BS6Q54TVJ	Living, dining rooms, Kitchen	I	FXSQ48TAVJU	4.0	208/1/60	48,000	54,000
			Bdr 4	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
Fl 18			Stair	C	FXSQ12TAVJU	1.0	208/1/60	12,000	13,500
			Master Bdr	D	FXSQ15TAVJU	1.25	208/1/60	15,000	17,000
			Bdr 2	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500
			Bdr 3	B	FXSQ09TAVJU	0.75	208/1/60	9,500	10,500

	Outdoor Condenser VRF Units							
Unit	Floors serviced	Spaces serviced	Model No.	Capacity (Tons)	Electrical (V/P/HZ)	Cooling Capacity (BTU)	Heating Capacity (BTU)	Efficiency EER[IEER]/COP
CU-1-SUBC	Amenity	Gym, Children Playroom, Theater, AV closet	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-1,C	Lobby&	Squash court,	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7

	Cellar	Tenants Storage, Lift Control Room, Arc/Telecom Room, Compactor Room, Trash Storage Room, Supper's Office, & Ground Floor Lobby						
CU-1-2	FL 3	Apt A	REYQ96TATJU	8	208/3/60	98,710	61,018	14.2 [29.3] /4.3
CU-2-2	Fl 3	Apt B	REYQ96TATJU	8	208/3/60	98,710	61,018	14.2 [29.3] /4.3
CU-1-3	Fl 4-5	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-2-3	Fl 4	Apt B	REYQ96TATJU	8	208/3/60	98,710	61,018	14.2 [29.3] /4.3
CU-1-4	Fl 5	Apt B	REYQ120TATJU	10	208/3/60	117,581	81,018	13.1 [25.4] /4.0
CU-1-5	Fl 7	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-6	Fl 8	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-7	Fl 9	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-8	Fl 11	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-9	Fl 12	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7
CU-1-10	Fl 14	Apt A	REYQ144TATJU	12	208/3/60	136,647	93,857	12.4 [23.7] /3.81
CU-1-11	Fl 15	Apt A	REYQ120TATJU	10	208/3/60	117,581	81,018	13.1 [25.4] /4.0
CU-1-12	Fl 17-18	Apt A	REYQ168TATJU	14	208/3/60	158,707	100,252	11.6 [22] /3.7

	Split AC Units							
Unit	Area Served	MFG	Model No.	Capacity (Tons)	Electrical (V/PH/HZ)	Cooling Capacity (BTU)	Heating Capacity (BTU)	Efficiency SEER /EER
AC-1-EMR/CU-1-EMR	Roof Level Elevator Machine Rm	Daikin	FCQ36TAVJU/ RZR36TAVJU	3.0	208/1/60	26,000	-	17.6/11.4

N. *Ventilation and Exhaust Systems*

1. General: All Apartment dryers, kitchens' hoods, and kitchenettes in Residential Units will be exhausted through vertical risers to separate central fan systems exhausting to the exterior of the Building at roof bulkhead. All bathrooms in Residential Units will be exhausted through the DOAS unit (energy recovered to the DOAS unit double energy wheels) to the exterior of the building at roof bulkhead. This exhaust is routed through sheet metal ductwork risers. The toilet exhaust amounts are as follows:

2.

floor	Apartment	Number of Bathrooms	Exhaust cfm for secondary bathroom	Exhaust cfm for powder room	Exhaust cfm for master bathroom
3	3N	4	35	30	75
	3S	3	35		75
4	4S	4	35		75
	DUPLEX	2	35	30	
5		4	35		125
	5S	5	35		75
7	7TH	7	30	30	120
8	8TH	7	30	30	120
9	9TH	7	30	30	120
11	PHA	6	45	30	120
12	PHB	6	45	30	120
14	PHC	7	45		150
15		2	60	30	
17	PHD	2	60	30	
18		3	60		150

The Sub-cellar, Cellar Residential public bathrooms are provided each with dedicated ceiling toilet exhaust fans, exhausting to the exterior of the Building at ground floor street front louvers.

General Exhaust system is provided for the Building as follows:

- Cellar: trash compactor and Trash storage rooms, Tenant Storage room, Bike Storage room, and super's Office.
- Lobby: Package room
- 3rd to 17th Floor: Trash chute Room.

The cellar Lift Control Room is vented to the exterior of the building at ground floor street front louvers. The Sub-cellar Gym and Squash Court are also exhausted at ground floor street front louvers. The Cellar gas meter room is vented to ground floor level. The Building common Elevator hoistways and stairwells are provided with smoke vents as per building Code requirement.
Post fire smoke purge fans are provided at top of the staircases at Mechanical Equipment Platform 1.
All equipment shall meet NYC noise code requirements.

3. Future retail toilet exhaust will be via exhaust plenum louver at the ground floor retail area, allowing exhaust to discharge at the facade.

4. Outdoor ventilation air for all Residential Units, public corridors and back of house spaces will be provided by a VRV centralized dedicated Outdoor Air ventilation unit. The unit, located on Mechanical Level 2, will utilize energy recovery of the toilet exhaust airstreams from Residential

Units to temper incoming outside air. Air will be distributed via centralized ventilation air risers. In addition, all Residential Units will be provided with operable windows, in accordance with NYC Code requirements. Ventilation is provided in each apartment in centralized location. Public corridors and back of house spaces are provided with continuous supply.

5. Ventilation will be incorporated into common area and amenity spaces on Sub-cellar and Cellar floors, through outside air intake to the AC units serving those spaces, based on program occupancies, in Compliance with NYC Mechanical Code.

6. Noise Emission Rating: Diffuser NC levels are sized for a maximum NC 20 rating on the diffuser.

O. *Electrical System*

1. Service from Main Switchgear: Electric service will be provided by Con Edison at 120/208 volts, 3 phase, 4-wire to the electric Switchboard Room located at the Cellar, and distributed through various size service switches for the Residential Units, General and Residential common areas, Commercial Unit, and the automatic fire pumps.. Main service feeder sizes are as follows
    a. Commercial 1 set of 350 MCM, Copper
    b. Fire Alarm 1 set #6 AWG, Copper
    c. Fire Pump Switch 1 1 set 600 MCM, Copper
    d. 4000A Main Switchboard 4000A bus connection at Con Edison service endbox

2. Service to individual Residential Units: Electric service will be provided to the Residential Units from the Utility Meters located in the main electrical switchgear room in the cellar. Individual feeders, with, which will vary in copper feeder size, will run to each Residential Unit. Con Edison metering will be provided. Below are feeder sizes to each Apartment Panelboard based on appliance loads

Apartment Panel Sizes	
Panelboard size	Apartment
120/208V, 3PH,125A, 42 Pole	3N, 3S, 4S, 5S
120/208V, 3PH, 200A, 60 Pole	DUPLEX
120/208V, 3PH, 150A, 60 Pole	7TH FLOOR, 8TH FLOOR, 9TH FLOOR, PHA, PHB, PHD
120/208V, 3PH, 250A, 84 Pole	PHC

The Commercial Unit will be separately metered for electric service.
Retail space A will be provided with a 400A Coned Trans-S Cabinet with 300A Fused Disconnect Switch, feeder 4-#350MCM(CU) + 1#4G(CU) IN 3”CDT to 120/208V, 3PH, 400A MLO Panelboard labeled ‘PP-A’.
Retail space B will be provided with a 400A Coned Trans-S Cabinet with 400A Fused Disconnect Switch, feeder 4-#500MCM(CU) + 1#3G(CU) IN 3”CDT to 120/208V, 3PH, 400A MLO Panelboard labeled ‘PP-B’.

3. Unit service: Circuits will be provided in each Residential Unit with the capacity to handle all loads within the respective Unit (lighting, appliances, receptacles, air conditioning, etc.).

   Switched lighting fixtures will be provided in all bathrooms, foyers, kitchens, living rooms, bedrooms, and where shown on drawings and specifications. Tamper-resistant receptacles will be protected by GFCI breakers for the Residential Units located in common living spaces and bedrooms. Ground fault receptacles will be provided in bathrooms, kitchen and terraces. The indoor evaporator fan coils and roof condensing units for each Residential Unit will be wired directly to the Residential Unit's electrical panel. Units with private terraces will be provided with one outdoor receptacle and wall sconce.

4. Adequacy:

   a. Service: Residential Unit services, including switching and fusing, will be adequate, in accordance with NYC Codes, for modern day appliances, lighting, convenience outlets, washer and dryer, and VRF Systems.

   b. Lighting: General lighting and receptacles will be provided in general back of house program areas.

   c. Emergency Power: A natural gas fired 175 kw Emergency Generator, as per Generac manufacturer model SG 175 (120/208V, 3P/4W) with level II acoustical enclosure or Equal, will be provided to handle required emergency lighting and power in the event of failure of normal power. The generator will be located at Mechanical Level 1, and is fed by a dedicated high pressure EDF gas service line that allows for continuous operating time as long as gas supply is available from Con Edison street service. The Building's emergency generator will serve code required life safety loads and select common building loads and (2) dedicated outlet in each apartment as per the following:

      -ATS #1: Fire alarm system.
      -ATS #2: One Elevator
      -ATS #3: Emergency loads (lighting, gas booster pump, fire doors, smoke purge fans, and fire smoke dampers)
      -ATS #4: Standby loads (duplex booster pump, sump/ejector pumps, compactor, card access system, security, concierge desk equipment, and telecom)
      -ATS #5: Refrigerators in apartments
      -Emergency power only: Power to a receptacle in each apartment that only functions when generator is running (receptacle labeled "EMERGENCY")

P. *Intercommunication and/ or door signal systems, security closed circuit TV*

Closed circuit television cameras will monitor selected entrances, corridors, common areas, and elevators with viewing monitors at the residential lobby front desk. The cameras will be designed

to cover the immediate area within view of the camera and will not necessarily cover all of the area involved. The manufacturers will be as listed below, or equal.

Security cameras:

Manufacturer	Model Number	Description	Warranty
IndigoVision	510440	CCTV IP Camera, Indoor	3 Years
IndigoVision	510442	CCTV IP Camera, Outdoor	3 Years
IndigoVision	510440	CCTV IP Camera, Elevators	5 Years
IndigoVision	510440	CCTV IP Camera, Indoor	3 Years

Access control will be provided for the common area amenity entrances, the service entrance, and the main lobby entrance. Access card readers or similar access control mechanisms will be placed in locations, and card keys or similar devices will be used for entry.
The manufacturers will be as listed below, or equal.

Access Control:

Manufacturer	Model Number	Description	Warranty
KEYSCAN	CA4500	Access Control Panel, 4 Board	3 Years
KEYSCAN	CA4500	Access Control Panel, Door Board	3 Years
KEYSCAN	EC2500	Access Control Panel Elevator Board	3 Years
KEYSCAN	KPROX-3	Access Control Card Reader, Standard	3 Years
ALTRONIX	AL600ULACM	Access Control Power Supply, 8 Output	Lifetime

Manufacturer for intercom is Trigon system model no. 6000D cabinet model 500 or equal, which comes with a 1 year warranty.

Intercom:

Manufacturer	Model Number	Description	Warranty
YEALINK	SIP-T58V	Intercom Concierge Switchboard Station	2 Years
2N	IP-VERSO	Intercom Entrance Station	2 Years
CRESTON	TSW-760-NC	Intercom Apartment Stations	2 Years
2N	EASYGATE	Intercom Server	2 Years

Q. *Public Area Lighting*

Adequate lighting will be provided in all public areas. Public area lighting will be LED type. Emergency lighting will be provided in stairs and public corridors. All lighting levels designed in accordance with the NYC Building Code and the Housing Maintenance Code. The light fixture manufacturers will be as listed below, or equal.

Sub-Cellar – Elevator lobby, Corridor, Powder room, Kids' room, Media room, and Squash Court and Gym
L4 – Tech Lighting Unilume LED Slimline under cabinet task light
L9 SERIES – Gotham Evo recessed downlight
L10 – Gotham Evo recessed wallwasher
L11 SERIES – Diode LED Valent X linear LED tape for architectural cove
L13 – Forum Forecast recessed linear lensed slot
L14 – Lucifer Stealth steplight
L15 – Prudential Sky semi-recssed lensed round fixture
L16 – Tech Lighting Reflections recessed downlight
L17 – Lumenwerx Via 3 perimeter slot
DC – Decorative surface mounted fixture
DP – Decorative pendant
DS – Decorative wall sconce

Lobby level – Entry, Lobby, Sitting room, Package room, Elevator lobby, Mail room, Library
L9 SERIES – Gotham Evo recessed downlight
L10 SERIES – Gotham Evo recessed wallwasher
L11 – Diode LED Valent X linear LED tape for architectural cove
DP – Decorative pendant
DS – Decorative wall sconce

All Residential Levels – Public Corridor

L9 – Gotham Evo recessed downlight
L10 SERIES – Gotham Evo recessed wallwasher

BOH mechanical areas
L02 | Lithonia Lighting CLX

Egress Stairs
L03 | Lithonia Lighting STL4

R. *Garages and Parking areas*: None

S. *Swimming Pool:* None

T. *Tennis Courts, Playgrounds and Recreation Facilities*

1. Tennis Courts: None.

2. Playgrounds: None.

3. Recreation Spaces: The Building amenities will include the following, as shown on the overall floor plans: A 12-seat theater approximately 710 SF (occupant load 12), squash court approximately 892 SF (occupant load 18), exercise room approximately 1,000 SF (occupant load 20) and children playroom approximately 271 SF (occupant load 18) in the Sub-cellar Level, and roof terrace on Floor 19 approximately 631 SF (occupant load 19). See the finish schedule (section X) for all finishes. Furnishing and AV/TV equipment will be provided in theater. Furnishing and GYM equipment will be provided for squash court and exercise room. Furnishing will be provided in children playroom. Furnishing and a gas firepit will be provided on rooftop terrace.

U. *Permits and Certificates*

All necessary permits will be obtained and all required inspections will be completed prior to obtaining a Permanent Certificate of Occupancy.

New York City Department of Buildings:

New Building	Required
Excavation/Foundations	Required
Structural/General Construction	Required
Mechanical	Required
Sprinkler	Required
Plumbing	Required
Standpipe	Required
Generator	Required
Elevator	Required
Certificate of Occupancy	Required
Temporary Certificate of Occupancy	Required
Fire Protection Plan	Required
Fire Alarm	Required
Construction Fence	Required
ARCS System	Required
Street Tree	Required

NYC Department of Highways:

Builders Pavement	Required
Sidewalk Closing	Required

Miscellaneous:

Water Main Tap Connection	Required
Bureau of Electrical Control	Required

Inspections:

Temporary Certificate of Occupancy:	Initial DOB inspection. Renewable every 90 days.
Final Certificate of Occupancy:	Initial DOB inspection.
Sprinkler and Standpipe:	Initial DOB inspection. Monthly Inspection Annual Flow Test by licensed third party. Every 5 Year Fire department connection. Hydrostatical test by licensed third party.
Fire Alarm:	Initial FDNY inspection. Quarterly inspection. Semi-Annual inspection Annual inspection.
Plumbing:	Initial DOB inspection. Every 5 Year by licensed third party.
Electrical:	Initial DOB BEC inspection.
Elevators: - Category #1 - Category #5	Initial DOB Elevator Division inspection. Annual inspection. Every 5 Years inspection.
Boiler:	Initial DOB inspection. Annual inspection by licensed third party.
Emergency Generator:	Initial DOB inspection. Monthly test and annual test with full load bank by licensed third party.
Service Switch Boards Infrared Scan:	Initial DOB BEC inspection. Annual inspection by licensed third party.
Fire Pump:	Initial FDNY inspection. Monthly zero flow test. Annual flow test by licensed third party.

Backflow Preventers:	Initial DOB inspection. Annual inspection by licensed third party.
Storm Water Detention Tank:	Initial inspection by licensed third party.
Façade Inspection Safety Program (FISP):	Inspection every 5 years by licensed third party.
Gas Piping System:	Inspection every 4 years by Licensed Master Plumber (LMP).

V. *Violations:* Violations, if any issued, will be cured and/or removed off the record prior to issuance of the Final Certificate of Occupancy.

W. *Residential Unit Information:*

There will be 12 Residential Units in the Building starting on the 3rd floor and ending on the 18th floor. The unit designations on each floor are as follows:

FL.	UNIT	UNIT DESCRIPTION NUMBER OF BEDROOMS AND BATHS								
		2 BRs 3 BAs	3 BRs 3.5 BAs	3 BRs 4 BAs	4 BRs 4.5 BAs	4 BRs 5 BAs	5 BRs 5.5 BAs	5 BRs 6.5 BAs	7 BRs 8.5 BAs	REMARKS
3	3N		•							
	3S	•								With terrace
4	4S			•						
5	5S					•				
4/5	DUPLEX						•			Duplex
7	7TH FLOOR							•		
8	8TH FLOOR							•		
9	9TH FLOOR							•		
11	PHA						•			With terrace
12	PHB						•			With terrace
14/15	PHC								•	Duplex with terrace
17/18	PHD				•					Duplex with terrace

See Floor Plans contained in the Offering Plan for a complete description of the units.

1. Finish Schedule: Typical Residential Unit*:*

A) Floors 3 through 18:

Spaces	Floor	Walls	Base	Ceiling
Foyer/Hall	WD/ST	PT	WD/ST	PT
Living Room	WD	PT	WD	PT
Bedrooms	WD	PT	WD	PT
Kitchen	WD	PT	WD	PT
Master Bath	ST	ST/PT	-	PT
Secondary bath	ST	ST/PT	ST	PT
Powder room	WD	PT/ST	WD/MDF/ST	PT
Closets	WD	PT	WD	PT
W/D Closet	CT	PT	WD	PT

NOTES:

a. Wood flooring in Residential Units will include a 3/4" or 5/8" engineered or hard wood floor with an acoustical underlayment. The wood flooring will be white oak, select/better grade, matte polyurethane finish. The warranty will be for one year from date of substantial completion, which includes the repair or replacement of wood flooring that fails in material or workmanship. The floor assembly complies with the Building Code requirement of having a minimum impact insulation class rating (IIC) of 50.

b. Demising constructions between dwelling units will meet STC 50 or better, per NY and IBC codes. Floor and ceiling construction. The 10" normal weight concrete flat slab has an STC 60+ rating meeting Code requirements for airborne sound reduction performance between vertically adjacent residences, as well as sound separation between residences and the retail and Lobby areas. The resilient underlayment is provided beneath all hard flooring surfaces. All rotating equipment and associated piping in the building provided with vibration isolation mounts. Mechanisms that produce impact noise as trash chute are isolated from the structure with rubber mounts.

c. All gypsum board walls and ceilings are to be painted, receiving 1 coat of primer and 2 finish coats of paint. The paint is to be Benjamin Moore or equal.

d. The kitchens in the residential units will include painted or wood veneer upper/lower cabinets and stone slab counter tops.

Legend:

WD	Wood
CT	Ceramic Tile
ST	Stone

PT Paint
CONC Concrete

2. Kitchen and Laundry Appliance: All kitchen appliances will be as listed in the schedules below, or equal. All kitchen plumbing fixtures will be Franke, Waterworks, or equal. All laundry equipment will be as listed below, or equal.

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL. 3 Unit 3N	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	36” Hood Liner	Wolf	PL342212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	36” Range	Miele USA	HR1934DF	Stainless Steel
	24” Speed Oven	Miele USA	H6200BM	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Warming Drawer	Miele USA	ESW6114	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL. 3 Unit 3S	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	Undercounter Wine Storage	Sub Zero	DEU2450W	Panel Ready
	36” Hood Liner	Wolf	PL342212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	36” Range	Miele USA	HR1934DF	Stainless Steel
	24” Speed Oven	Miele USA	H6200BM	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Warming Drawer	Miele USA	ESW6114	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL. 4 Unit DUPLEX	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	48” Hood Liner	Wolf	PL462212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	48” Range	Miele USA	HR1954DF	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL. 4 Unit 4S	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	36” Hood Liner	Wolf	PL342212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	36” Range	Miele USA	HR1934DF	Stainless Steel
	24” Speed Oven	Miele USA	H6200BM	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Warming Drawer	Miele USA	ESW6114	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL. 5	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	48” Hood Liner	Wolf	PL462212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	48” Range	Miele USA	HR1954DF	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel

Unit 5S	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	**DESCRIPTION**	**MANUFACTURER**	**MODEL**	**FINISH/COLOR**
FL. 7-9 Units 7th Floor, 8th Floor, 9th Floor	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	48” Hood Liner	Wolf	PL462212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	48” Range	Miele USA	HR1954DF	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	**DESCRIPTION**	**MANUFACTURER**	**MODEL**	**FINISH/COLOR**
FL. 11-18 Units PHA, PHB, PHC, PHD	30” Fridge	Sub Zero	IC-30RID	Panel Ready
	18” Freezer	Sub Zero	IC-18FI	Panel Ready
	24” Wine Storage	Miele USA	KWT2602VI	Panel Ready
	48” Hood Liner	Wolf	PL462212	Custom Panel
	600 CFM Internal Blower	Wolf	814421	
	48” Range	Miele USA	HR1954DF	Stainless Steel
	24” Combi-Steam Oven	Miele USA	DGC6760XXL	Stainless Steel
	24” Dishwasher	Miele USA	G6665SCVI	Panel Ready
	Garbage Disposal	Waste King	L5000TC	

UNIT AND FLOOR	**DESCRIPTION**	**MANUFACTURER**	**MODEL**	**FINISH/COLOR**
FL. 7-9 Units 7th Floor, 8th Floor, 9th Floor	Morning Kitchen Undercounter Wine Storage	Miele USA	KWT6332UG	Panel Ready

UNIT AND FLOOR	DESCRIPTION	MANUFACTURER	MODEL	FINISH/COLOR
FL.3-18 All Units	Washer	Electrolux	EFLS617STT	White
	Dryer	Electrolux	EFMG617STT	White

3. The gas grill is to be Weber Spirit II E-210, or equal. The grill will have manufacturer warranty of two (2) years.

4. Bathroom Fixtures: All Bathroom plumbing fixtures are to be as listed, or equal.

SECONDARY / TERTIARY	All Secondary/ Tertiary Bathrooms	Toilet	TOTO	MS446234CUMG	White
		ADA Bathroom Sink	Kohler	K-2350-0	White
		ADA Bathroom Faucet	Waterworks	DSLS10	Polished Nickel
		Control Valve	Waterworks	DSPB30	Polished Nickel
		Shower Head	Waterworks	DSSH10	Polished Nickel
		Handshower	Waterworks	DSHS01	Polished Nickel
		Toilet Paper Holder	Waterworks	DSPH01	Polished Nickel
		Shower Drain	Kohler	K-9136	Polished Nickel

	All Type A Bathrooms	ADA Toilet	TOTO	MS614114CEF	White
		ADA Bathroom Sink	Kohler	K-2350-0	White
		ADA Bathroom Faucet	Waterworks	DSLS10	Polished Nickel
		Control Valve	Waterworks	DSPB30	Polished Nickel
		Shower Head	Waterworks	DSSH10	Polished Nickel
		Handshower	Waterworks	DSHS01	Polished Nickel
		Tub	Kohler	K-1121-0	White
		Tub Spout	Waterworks	DSTS80	Polished Nickel
		Toilet Paper Holder	Waterworks	DSPH01	Polished Nickel

POWDER	All Powder Rooms	Wall-hung Toilet	TOTO	CWT437117 MFG+ Duofit in-wall tank system	White
		Bathroom Sink	Kohler	K-2350-0	White
		Bathroom Faucet	Waterworks	BLS12B	Polished Nickel
		Toilet Paper Holder	Waterworks	HNPH01	Polished Nickel

MASTER BATH	Master Bathrooms Units 3N, 3S, 4S, 5S, DUPLEX, PHA, PHB, PHC, PHD	Wall-hung Toilet	TOTO	CWT437117 MFG#WH	White
		Sink	Waterworks	MRLVRW	White
		Faucet	Waterworks	BLS22D	Polished Nickel
		Handshower	Waterworks	BHS001	Polished Nickel
		Shower Head	Speakman	S-2251	Polished Nickel
		Rain Shower	Waterworks	FMSH10	Polished Nickel
		Volume Valve	Waterworks	BVC12B	Polished Nickel
		Thermostatic Valve	Waterworks	BTH22B	Polished Nickel
		Three Way Driver Valve	Waterworks	B3T12B	Polished Nickel
		Drop In Tub	Kohler	K-1125-0	White
		Tub Filler	Waterworks	BTS001	Polished Nickel
		Toilet Paper Holder	Waterworks	HNPH01	Polished Nickel
		Shower Drain	Infinity	S-TIFAS-9948	Polished Stainless

MAST		Wall-hung Toilet	TOTO	CWT437117 MFG#WH	White
		Sink	Waterworks	MRLVRW	White

	Master/ Her Bathrooms	Faucet	Waterworks	BLS22D	Polished Nickel
		Handshower	Waterworks	BHS001	Polished Nickel
		Shower Head	Speakman	S-2251	Polished Nickel
		Rain Shower	Waterworks	FMSH10	Polished Nickel
		Volume Valve	Waterworks	BVC12B	Polished Nickel
		Thermostatic Valve	Waterworks	BTH22B	Polished Nickel
		Three Way Driver Valve	Waterworks	B3T12B	Polished Nickel
		Free Standing Tub	Duravit	700434000000090	
		Tub Filler	Waterworks	BXT37B	Polished Nickel
		Toilet Paper Holder	Waterworks	HNPH01	Polished Nickel
		Shower Drain	Infinity	S-TIFAS-9948	Polished Stainless

MASTER/ HIS BATH	His Bathrooms	Wall-hung Toilet	TOTO	CWT437117 MFG#WH	White
		Sink	Waterworks	MRLVRW	White
		Faucet	Waterworks	BLS22D	Polished Nickel
		Handshower	Waterworks	BHS001	Polished Nickel
		Shower Head	Speakman	S-2251	Polished Nickel
		Rain Shower	Waterworks	FMSH10	Polished Nickel
		Volume Valve	Waterworks	BVC12B	Polished Nickel
		Thermostatic Valve	Waterworks	BTH22B	Polished Nickel
		Three Way Driver Valve	Waterworks	B3T12B	Polished Nickel
		Toilet Paper Holder	Waterworks	HNPH01	Polished Nickel
		Shower Drain	Infinity	S-TIFAS-9948	Polished Stainless

	All Kitchen	Kitchen Sink	Franke	CUX11027	Stainless Steel
		Faucet	Waterworks	HNKM15	Polished Nickel

	All Bar	Bar Sink	Franke	PS2X110-21	Stainless Steel
		Faucet	Waterworks	HNKM40	Polished Nickel

	All Utility Rooms	Sink	KOHLER	K-3894-4-NA	Stainless Steel
		Bar Faucet lever handle	KOHLER	K-22972-VS	Stainless Steel

5. Lighting: Adequate lighting will be provided in all residential units. Apartment lighting will be LED type. The light fixture manufacturers will be as listed below, or equal.

L1 SERIES – Spectrum Infinium recessed downlight
L2 – Spectrum Infinium recessed shower light
L3 – Coronet FP1LED linear closet light
L4 – Tech Lighting Unilume LED Slimline under cabinet task light
L5 – Diode LED Valent X linear LED tape for cabinet lighting
L6 – Diode LED Valent X linear LED tape for vanity lighting
L7 – Spectrum Infinium recessed pinhole downlightL8 – LEDCONN Luxfit LED panel for glass backlighting
DP – Decorative pendant
DS – Decorative wall sconce

X. *Finish Schedule: Residential Common Areas: Typical Residential Floors*

Spaces	Floor	Walls	Base	Ceiling
Stairs	DP	P	P	P
Public Corridor	CPT/CONC./WD	WC/WD/P	WD/V	P
Refuse Closet	CT	P/CT	CT	P
Electrical Closet	DP	P	P	P
Elevator Lobby	CPT/CONC./WD	WC/WD	ST	P

1st Floor:

Spaces	Floor	Walls	Base	Ceiling
Residential Lobby	ST	WD/ST	ST	P
Residential Corridor	ST	WD/ST	-	P
Package Room	CT	P	CT	P
Toilet room	CT	P	CT	P

Sub-celler level:

Spaces	Floor	Walls	Base	Ceiling
Elevator Vestibule/ Hallway/ Foyer	ST	WD	WD/ST	P
Bar	ST	WD	WD/ST	P
Power Room	ST	WD/ST	ST	P
Squash Court	WD	WD/P	WD	P
Exercise Room	RB	WD	WD	P
Children Room	WD	P/WC/WD	WD	P
Theater	CPT	WC/WD	WD	P

Abbreviation of Finishes:

CT	Ceramic Tile
CPT	Carpet
DP	Deck Paint
P	Paint
WC	Wall Covering
WD	Wood
ST	Stone
RB	Rubber
CL	Metal
CONC.	Concrete
CP	Concrete Pavers
V	Vinyl
PL	Plaster
GL	Glass

Substitution:

Where materials, appliances, equipment, fixtures and other construction and design details are specified in this Property Report, Sponsor has the right to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality and may utilize different materials, appliances, equipment and/or fixtures in Sponsor's sales center and model apartments.

Y. *Safety and Warning Devices*

The Fire Alarm System is provided with central station notification. The central office transmitter is located in the main telephone room in the Cellar. The Fire Command Center and Fire Control Panel are located in the Ground Floor Lobby.

The Building is provided with a manual and automatic fire alarm system with paging speakers in all apartments and stairwells. This system also monitors the sprinkler water flow and tamper switches as well as the fire pump. The system is connected to a Central Office for notifying the FDNY. The system will monitor the water flow and tamper switches associated with the sprinkler system. The elevator lobby, elevator machine rooms and top of elevator shafts are provided with system type smoke detectors as well as the electrical, mechanical, telephone and similar rooms.

The catalog numbers used are those of Edwards EST by UTC Fire and Security "or equal", and constitute the type and quality of equipment to be furnished.

Residential Unit Smoke Detection System: Each Residential Unit will contain a combination carbon monoxide/smoke detector located in the vicinity of the bedrooms. The detector is wired to a 120-volt local power supply and is self-contained with its own sounding device.

The Building will be fully sprinklered throughout by a combination fire standpipe and wet sprinkler system in accordance with NFPA, the Building Code and Fire Code.
Each Residential Unit will be provided with an intercom system, permitting the occupants to communicate verbally with the residential lobby front desk.

Control Panel Requirements: The control panel or panels and all system devices (pull stations, smoke and heat detectors, etc.) shall be an Edwards EST type EST3 series (or equal).

Warranty: All work performed and all material and equipment furnished shall be free from defects and shall remain so for a period of at least one (1) year from the date of acceptance or approval of installation.

Z. *Additional Information:*

1. Site Plan – The Site Plan is included in the Floor Plan Section in Part II of the Offering Plan.
2. Floor Plans – The Floor Plan for each line and type of unit is located in Part II of the Offering Plan.

3. Approximate Total Area of Each Unit - Each Unit consists of the area measured horizontally from the exterior side of the exterior walls, centerline of adjacent stair wall and shared refuse room separating a Residential Unit from such stair or refuse room, and centerline of public corridor, elevator, and of partitions separating one Unit from another Unit (columns, mechanical pipes, mechanical equipment, shafts, chases and conduits are not deducted from the measurements of each Unit).

   All dimensions on the floor plans are approximate and subject to normal construction variances and tolerance.

   Each Terrace is measured horizontally from the exterior face of the exterior wall to the outside face of the parapet wall.

   The Storage Bins are measured from the outside mesh to outside mesh.

4. Floor to Ceiling Heights of Residential Units – The foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceilings to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserves the right to make changes due to unforeseen conditions in accordance to the Offering Plan. Each Residential Unit will be measured vertically from the top of the concrete slab to the underside of the slab above. The approximate top of slab (T.O.S.) to underside of slab (U.O.S.) heights and the approximate floor to ceiling heights (measured vertically from T.O.S., excluding finished floor, to finished U.O.S.) and typical dropped ceiling heights (measured from T.O.S. to finished ceiling) for the floors containing residential units are provided in the following chart. The ceiling heights will vary based on mechanical and structural conditions in the ceiling, and may be lower than the heights stated below. In conditions where the underside of slab is the finished ceiling, the ceiling height may vary, and may vary from room to room, due to as-built concrete conditions.

Floor Number:	Approximate ceiling heights (lowest to highest) measured from T.O.S. to U.O.S. or finished ceiling:
- 3rd-8th Floors:	8’-0” - 14’-2”
- 9th Floor:	8’-0” - 13’-2”
- 11th-12th Floor:	8’-0” - 14’-2”
- 14th Floor:	8’-0” - 13’-2”

- 15th Floor: 8'-0" - 14'-2"
- 17th Floor: 8'-0" - 13'-2"
- 18th Floor: 8'-0" - 14'-1"

5. Asbestos: None

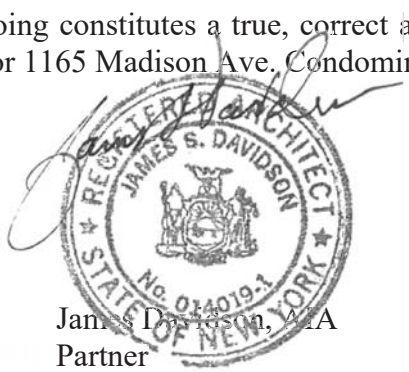
6. Lead-Based Paint: None

7. Further Development: None
   Prior to construction, Sponsor or its agents will submit a Tenant Protection Plan to the Department of Buildings, if required.

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The foregoing constitutes a true, correct and complete Description of Property and Specifications prepared by our firm for 1165 Madison Ave. Condominium.

By:

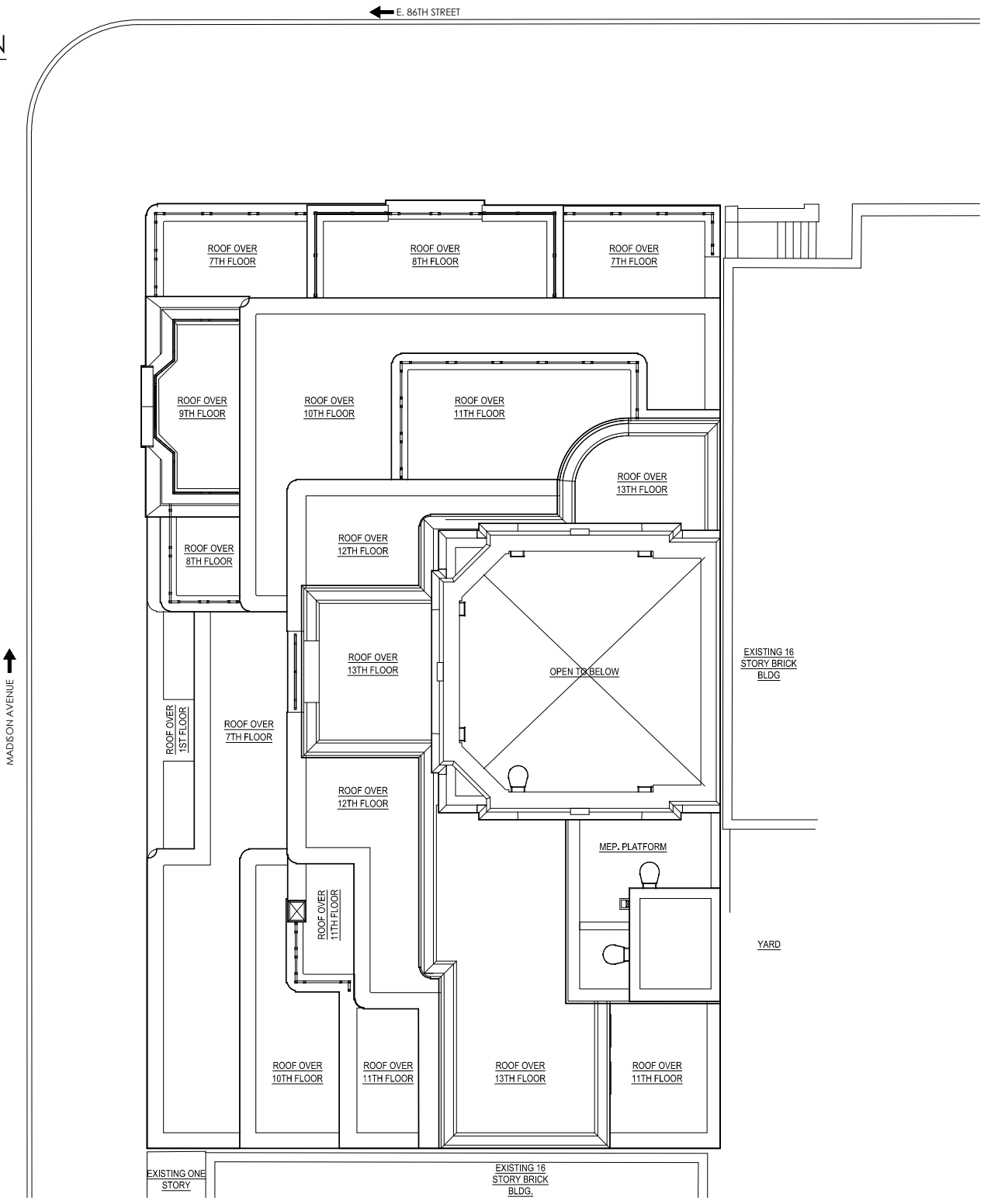


James Davidson, AIA
Partner
SLCE *Architects, LLP*

EXHIBIT 5

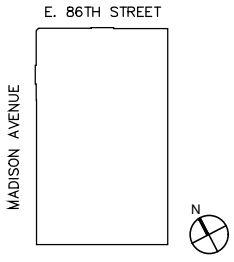
FLOOR PLANS

SITE PLAN



SCALE:

0 10' 20' 30'

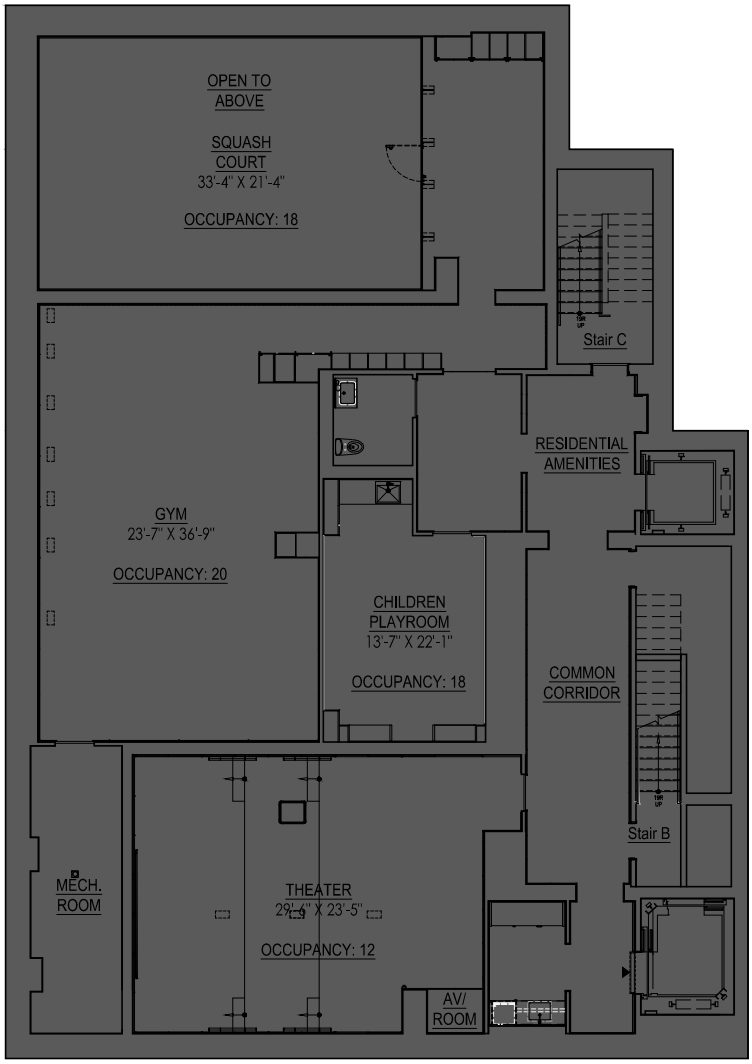


THIS FLOOR PLAN IS BASED ON CONSTRUCTION DRAWINGS AND SUBJECT TO CONSTRUCTION VARIANCES AND TOLERANCES. ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO CONSTRUCTION VARIANCES AND TOLERANCES. PLANS AND DIMENSIONS MAY CONTAIN MINOR VARIATIONS FROM FLOOR TO FLOOR. SQUARE FOOTAGE EXCEEDS THE USABLE FLOOR AREA. FLOOR NUMBERING REPRESENTS SALES FLOOR LOCATIONS AND MAY VARY FROM CONSTRUCTION FLOOR DESIGNATIONS. MINOR INACCURACIES IN SQUARE FOOTAGE AND INACCURACIES IN LAYOUT AND ROOM DIMENSIONS WILL NOT EXCUSE A PURCHASER FROM COMPLETING THE PURCHASE OF THE UNIT WITHOUT ABATEMENT IN PRICE OR RECOURSE AGAINST SPONSOR. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES TO A UNIT IN ACCORDANCE WITH THE TERMS OF THE OFFERING PLAN. THE COMPLETE OFFERING TERMS ARE IN AN OFFERING PLAN AVAILABLE FROM SPONSOR.

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August 4, 2021

AMENITY PLAN



RESIDENTIAL LIMITED COMMON ELEMENT

UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN



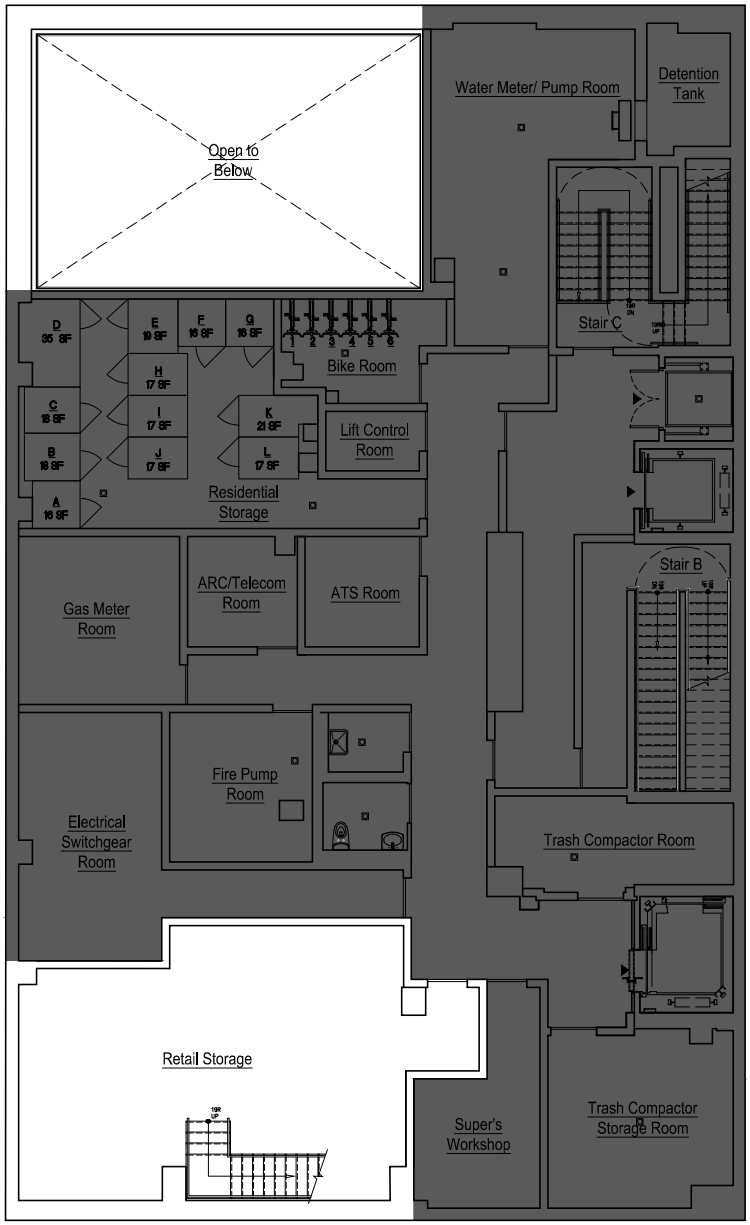


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CELLAR PLAN

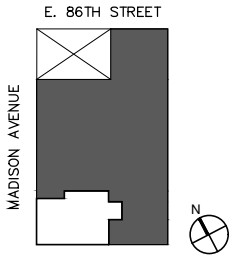


RESIDENTIAL LIMITED COMMON ELEMENT

UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN



SCALE:

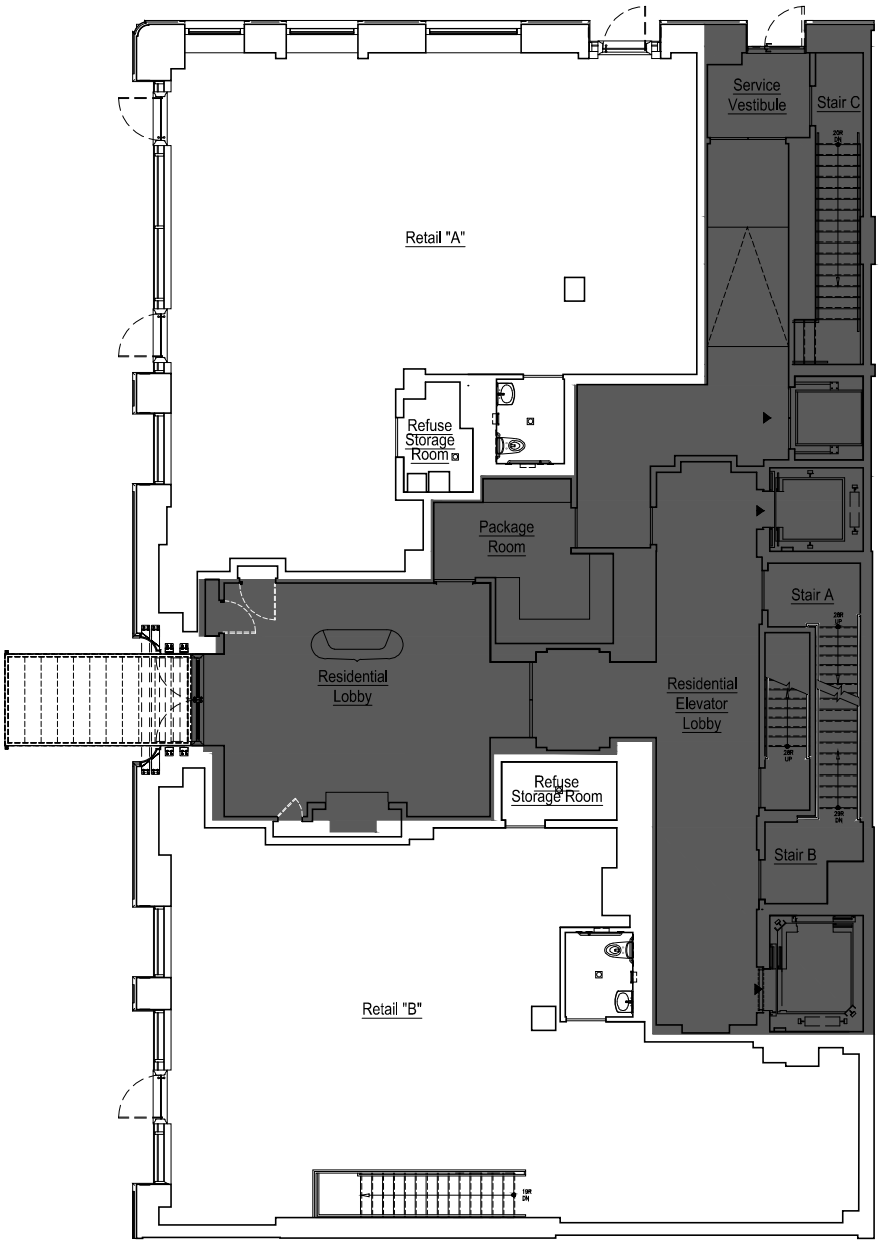
0 10' 20' 30'

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LOBBY



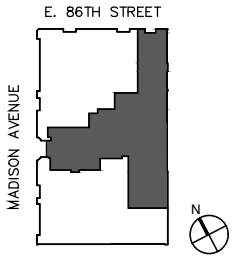
RESIDENTIAL LIMITED COMMON ELEMENT

UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN



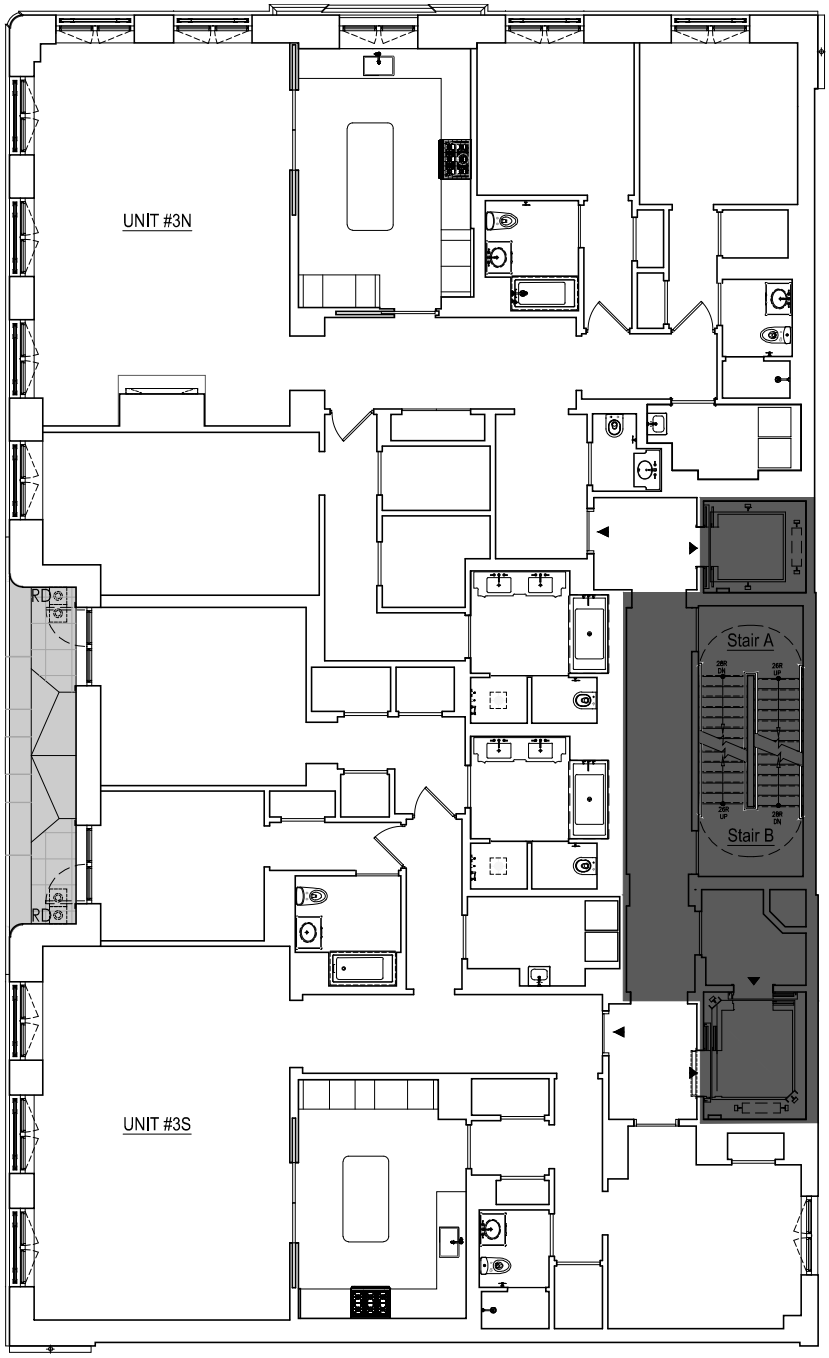


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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

FLOOR 3



RESIDENTIAL LIMITED COMMON ELEMENT

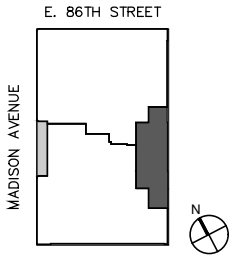
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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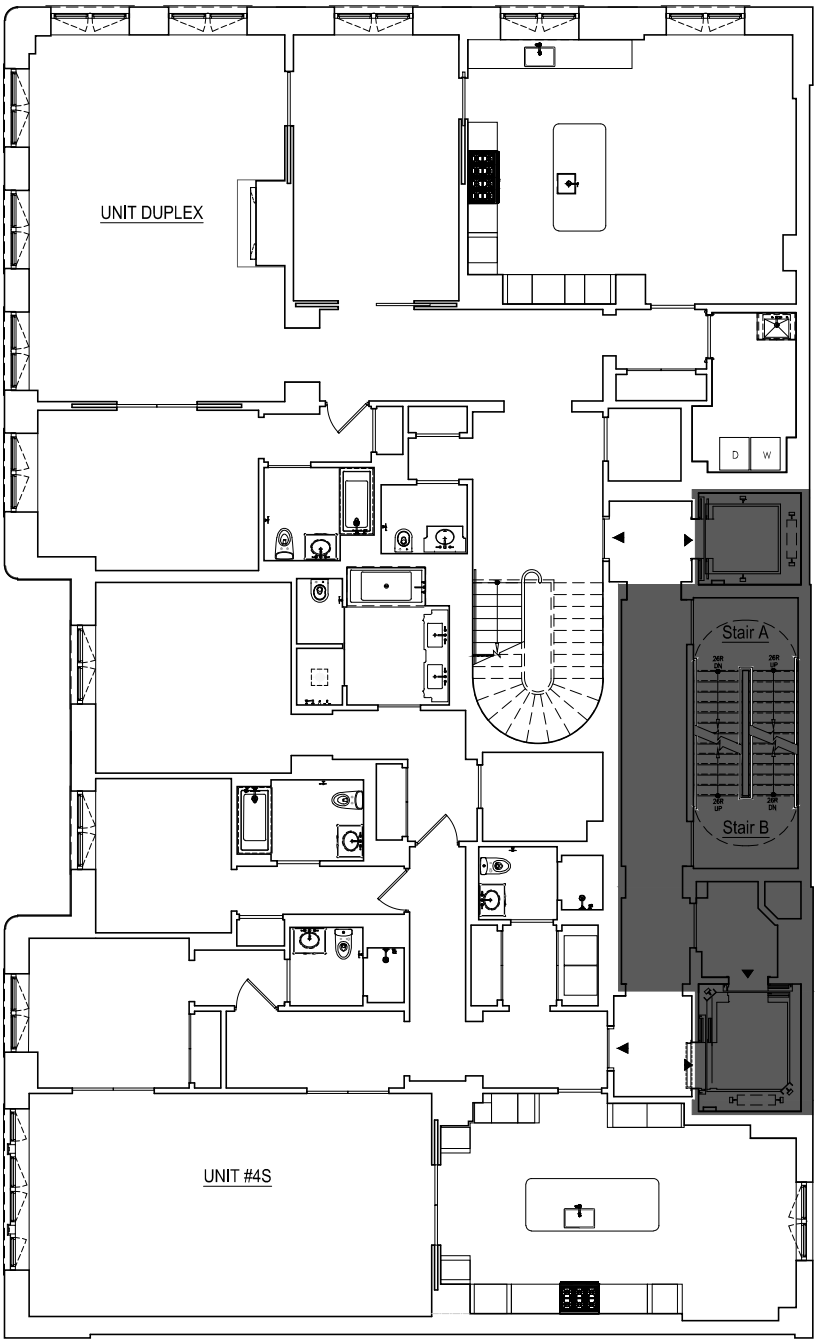


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NEW YORK, NY 10028

August 4, 2021

FLOOR 4



RESIDENTIAL LIMITED COMMON ELEMENT

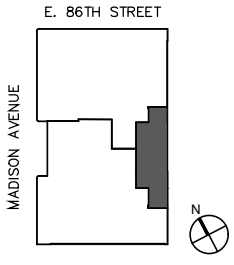
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

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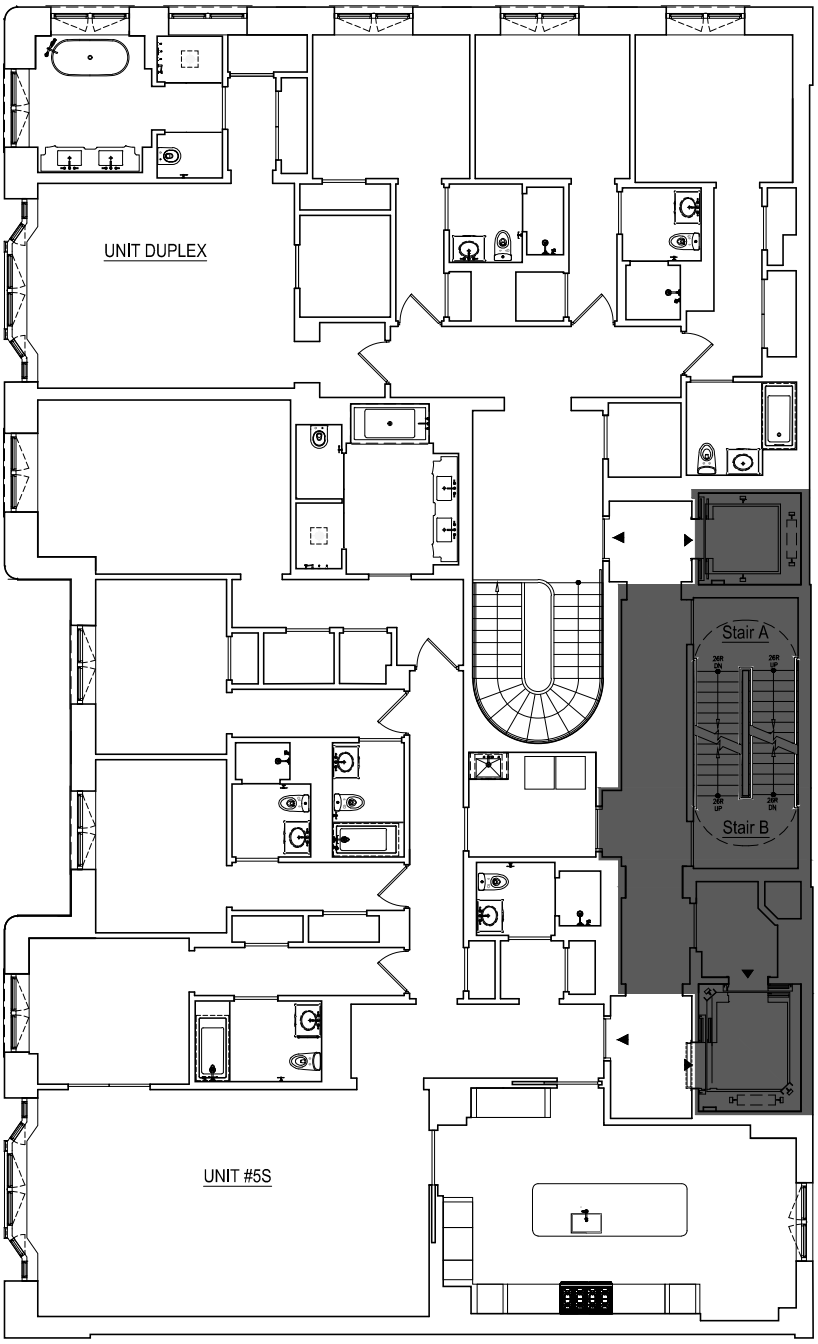


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August 4, 2021

FLOOR 5



RESIDENTIAL LIMITED COMMON ELEMENT

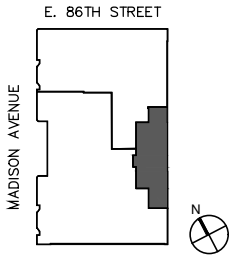
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

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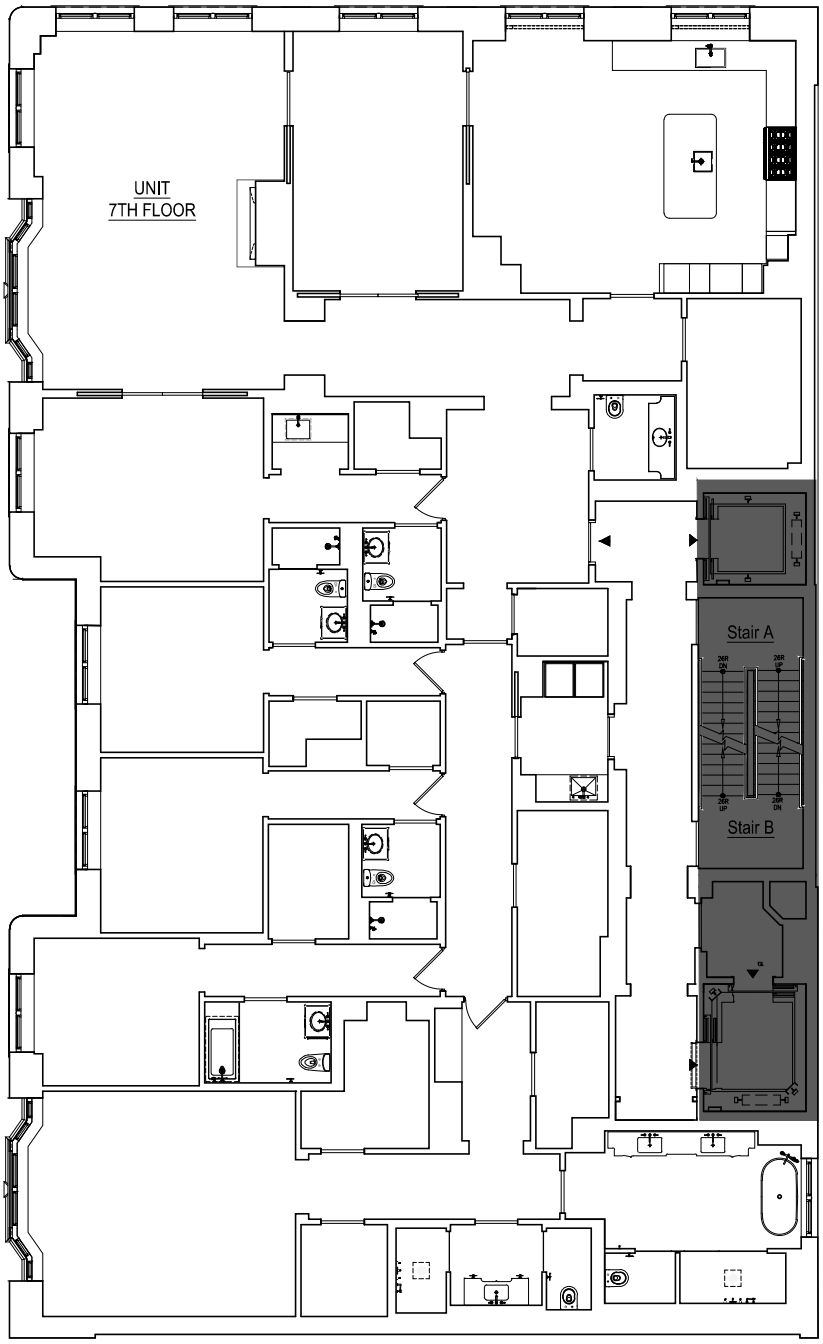


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August 4, 2021

FLOOR 7



RESIDENTIAL LIMITED COMMON ELEMENT

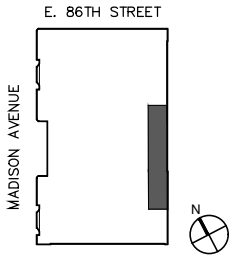
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

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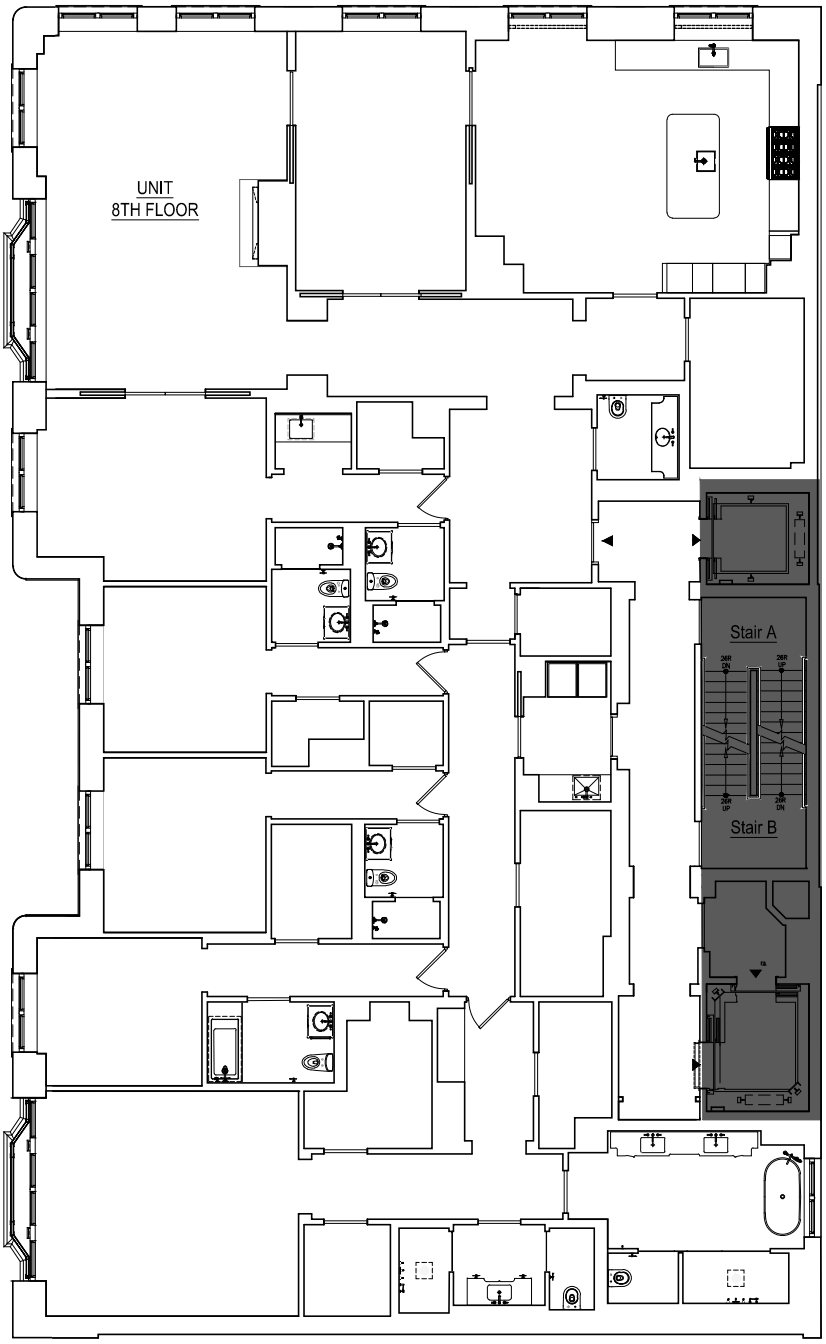


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August 4, 2021

FLOOR 8



RESIDENTIAL LIMITED COMMON ELEMENT

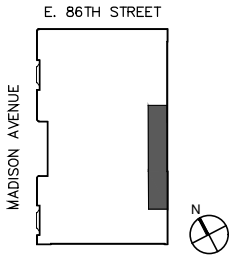
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RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

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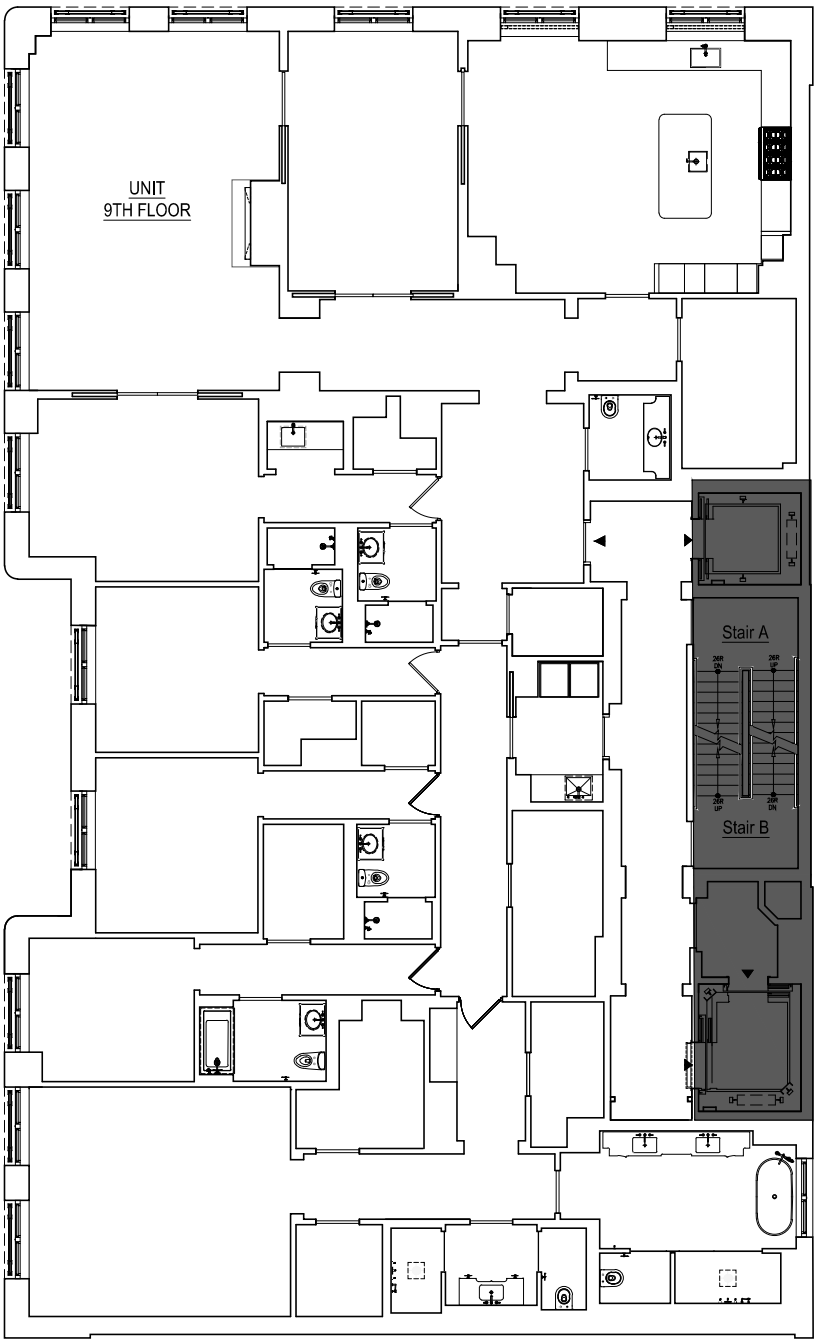


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August 4, 2021

FLOOR 9



RESIDENTIAL LIMITED COMMON ELEMENT

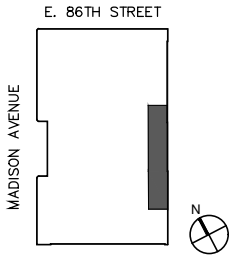
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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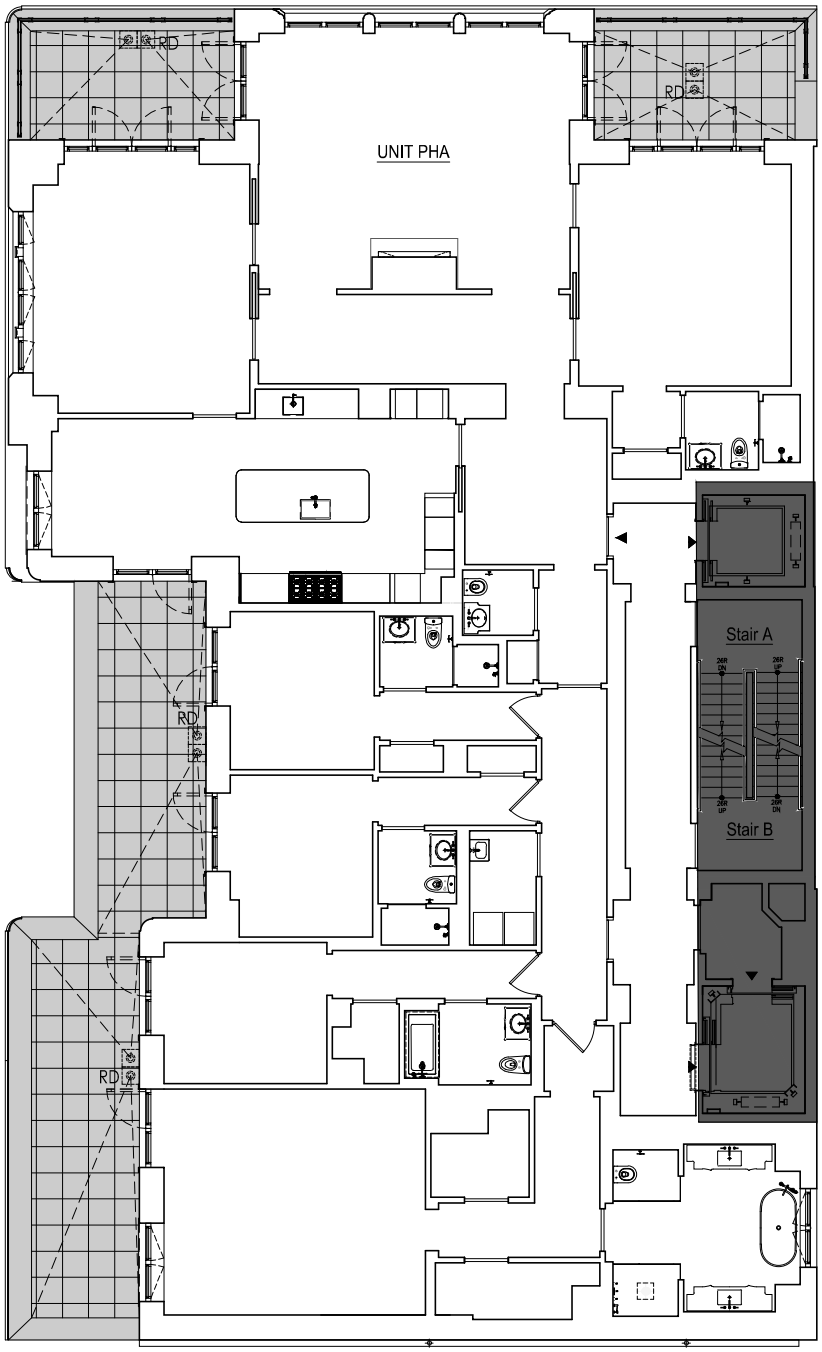


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August 4, 2021

FLOOR 11



RESIDENTIAL LIMITED COMMON ELEMENT

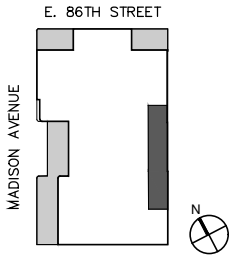
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

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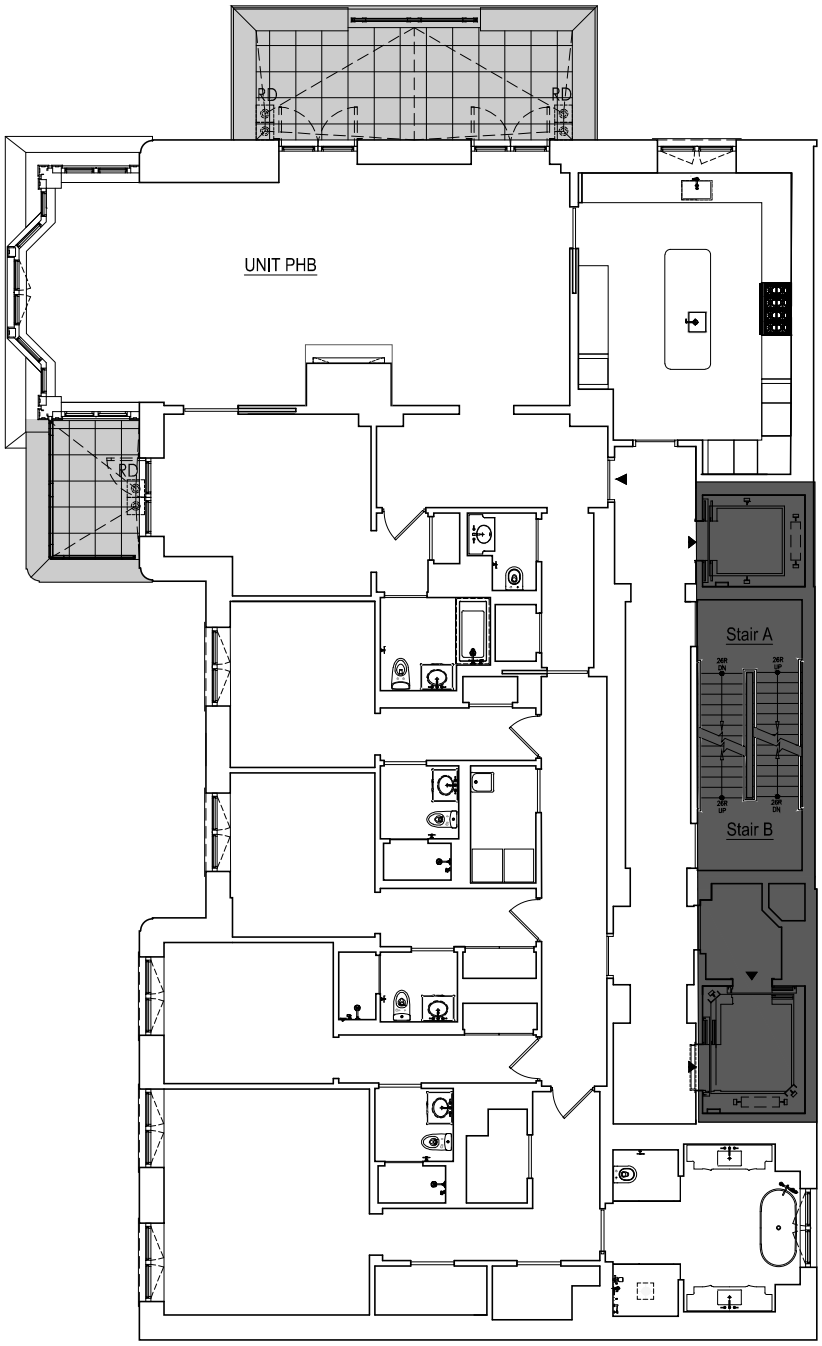


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August 4, 2021

FLOOR 12



RESIDENTIAL LIMITED COMMON ELEMENT

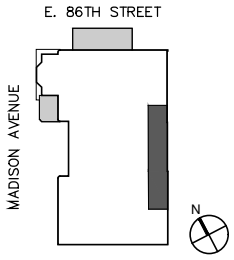
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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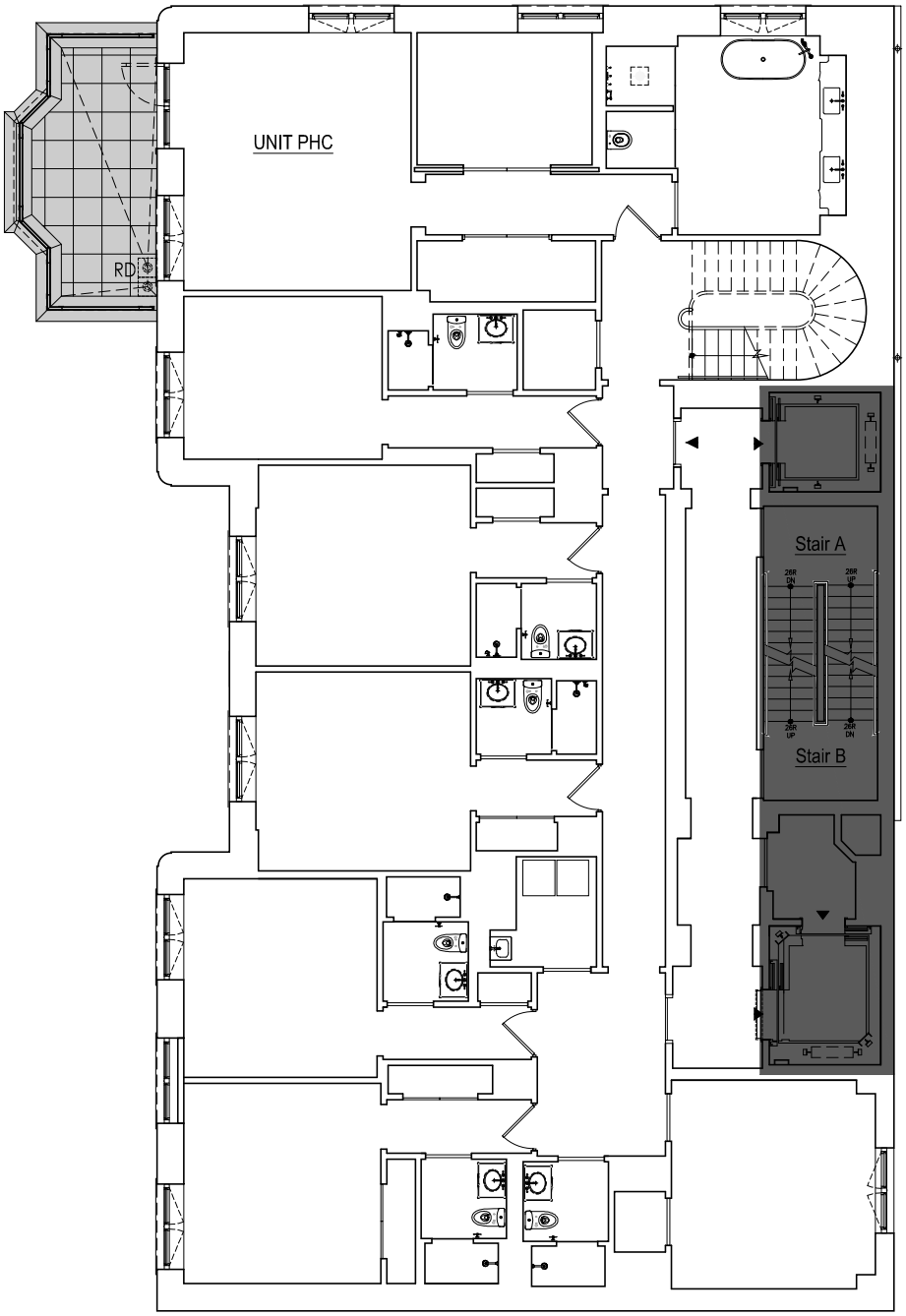


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August 4, 2021

FLOOR 14



RESIDENTIAL LIMITED COMMON ELEMENT

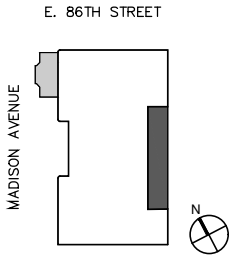
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RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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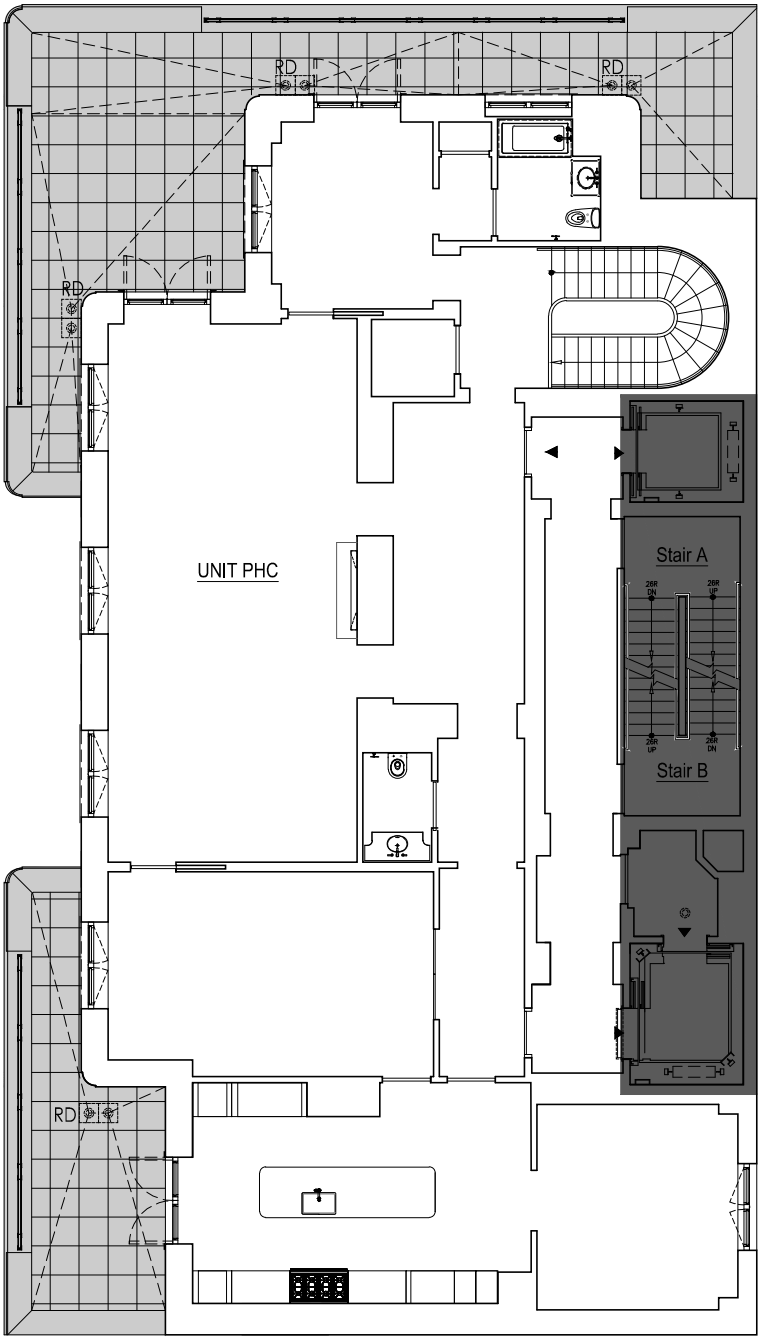


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NEW YORK, NY 10028

August 4, 2021

FLOOR 15



RESIDENTIAL LIMITED COMMON ELEMENT

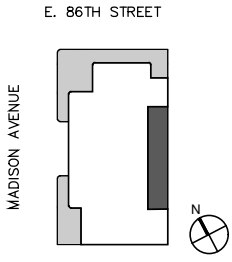
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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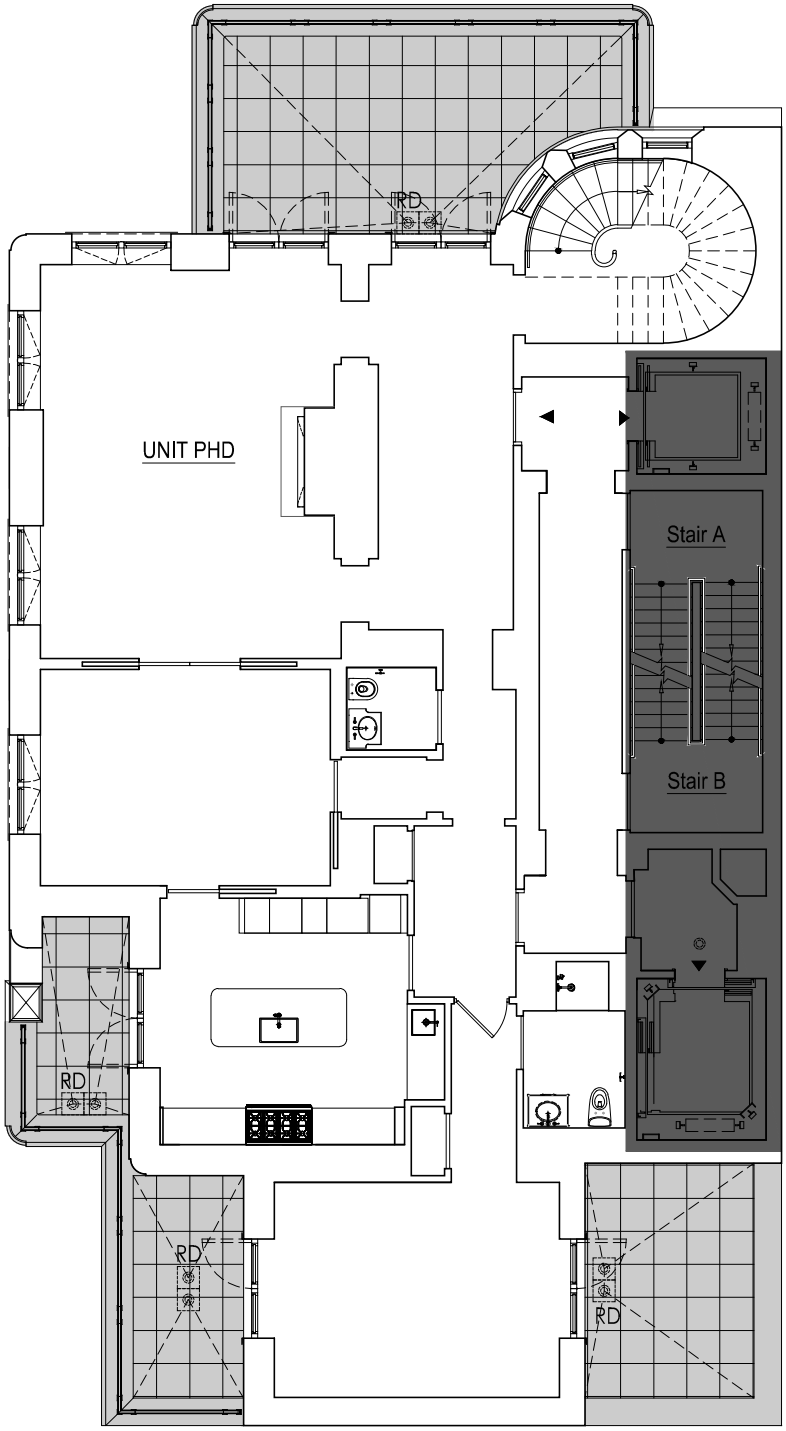


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NEW YORK, NY 10028

August 4, 2021

FLOOR 17



RESIDENTIAL LIMITED COMMON ELEMENT

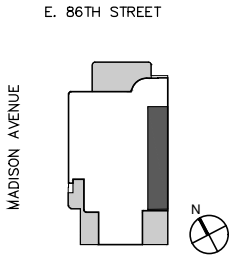
RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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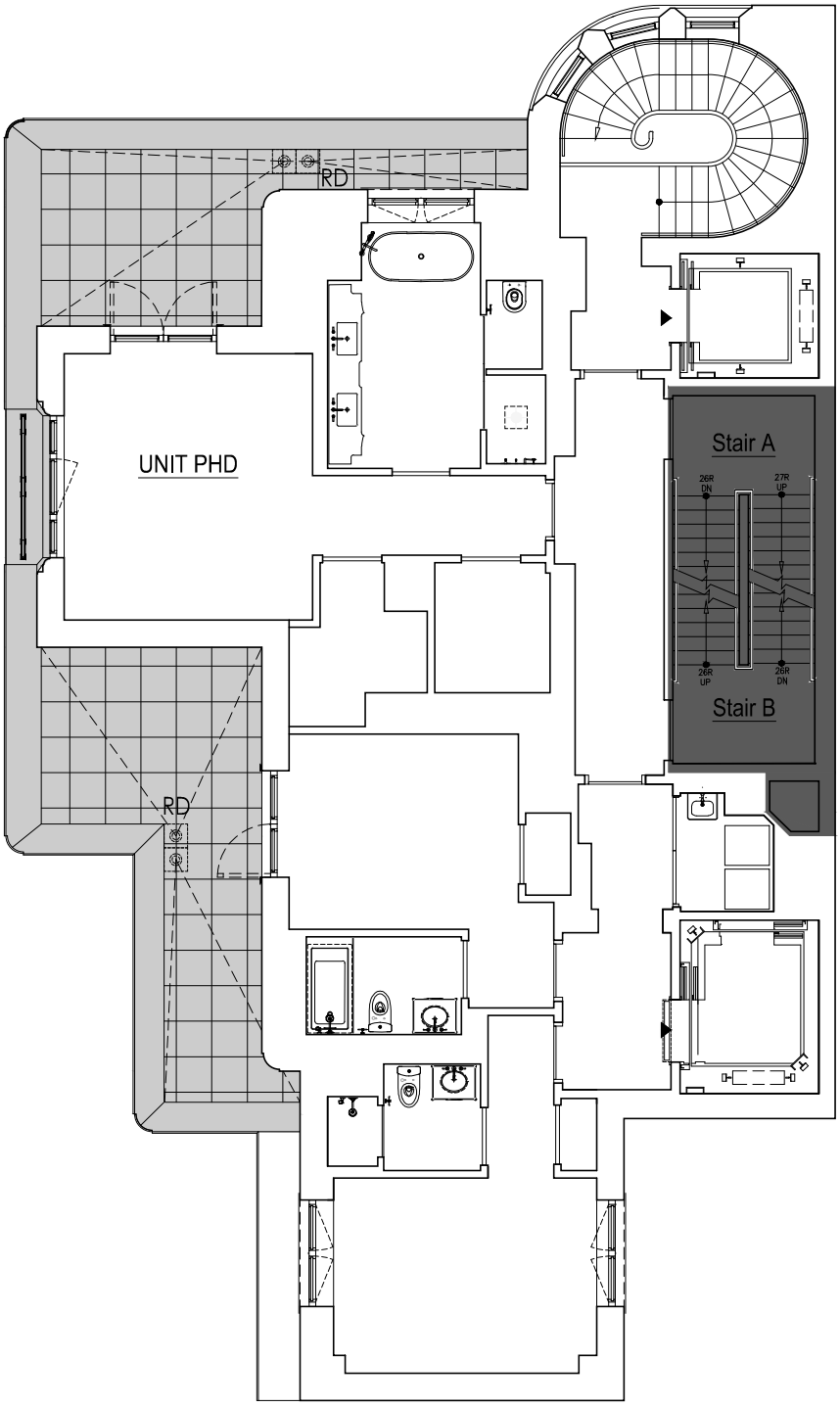


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NEW YORK, NY 10028

August 4, 2021

FLOOR 18



RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

0 10' 20' 30'

E. 86TH STREET

MADISON AVENUE

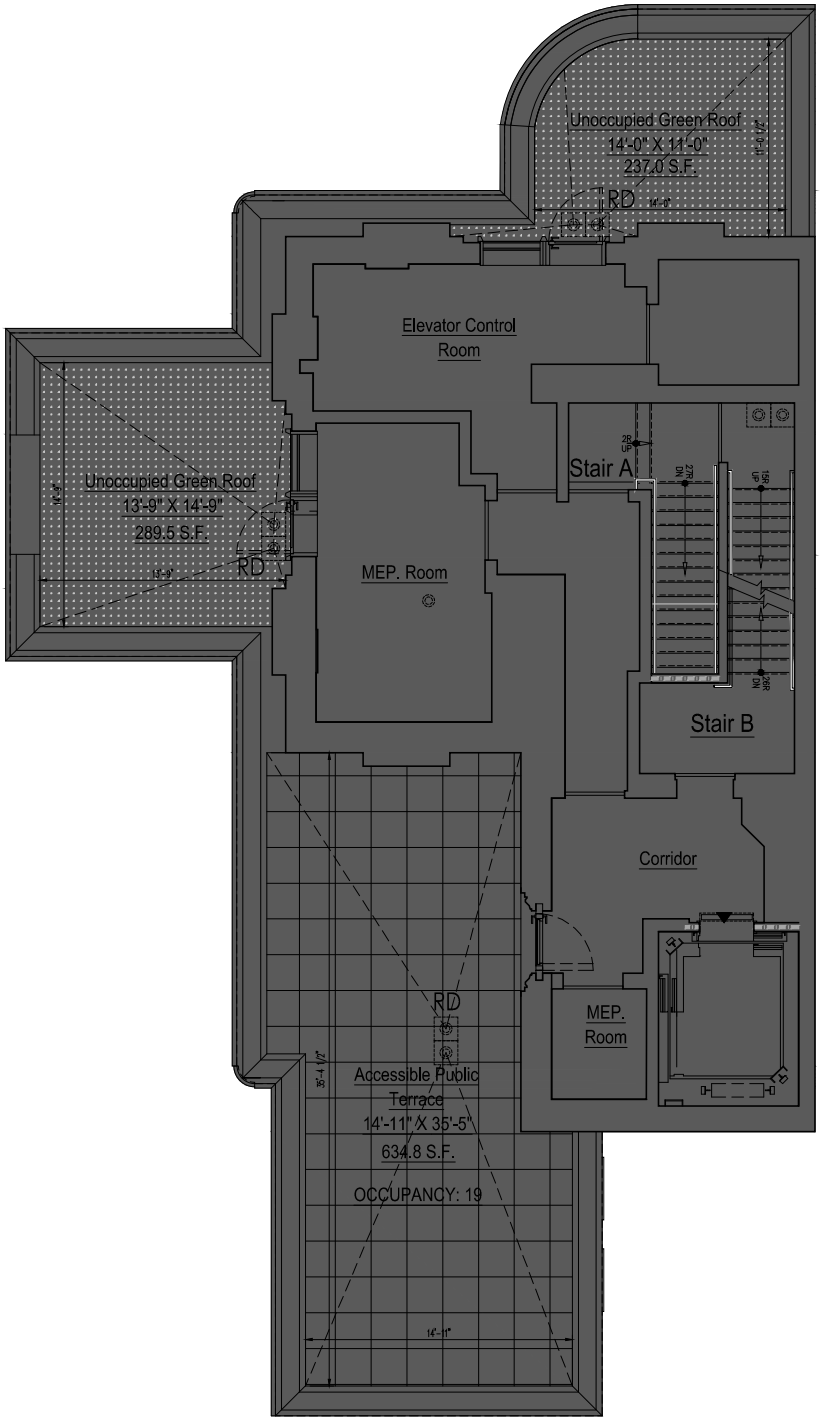
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August 4, 2021

ROOF PLAN



SCALE:

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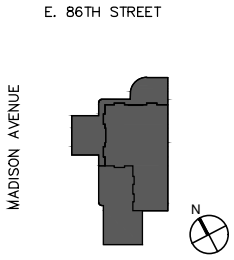
RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

GENERAL COMMON ELEMENT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

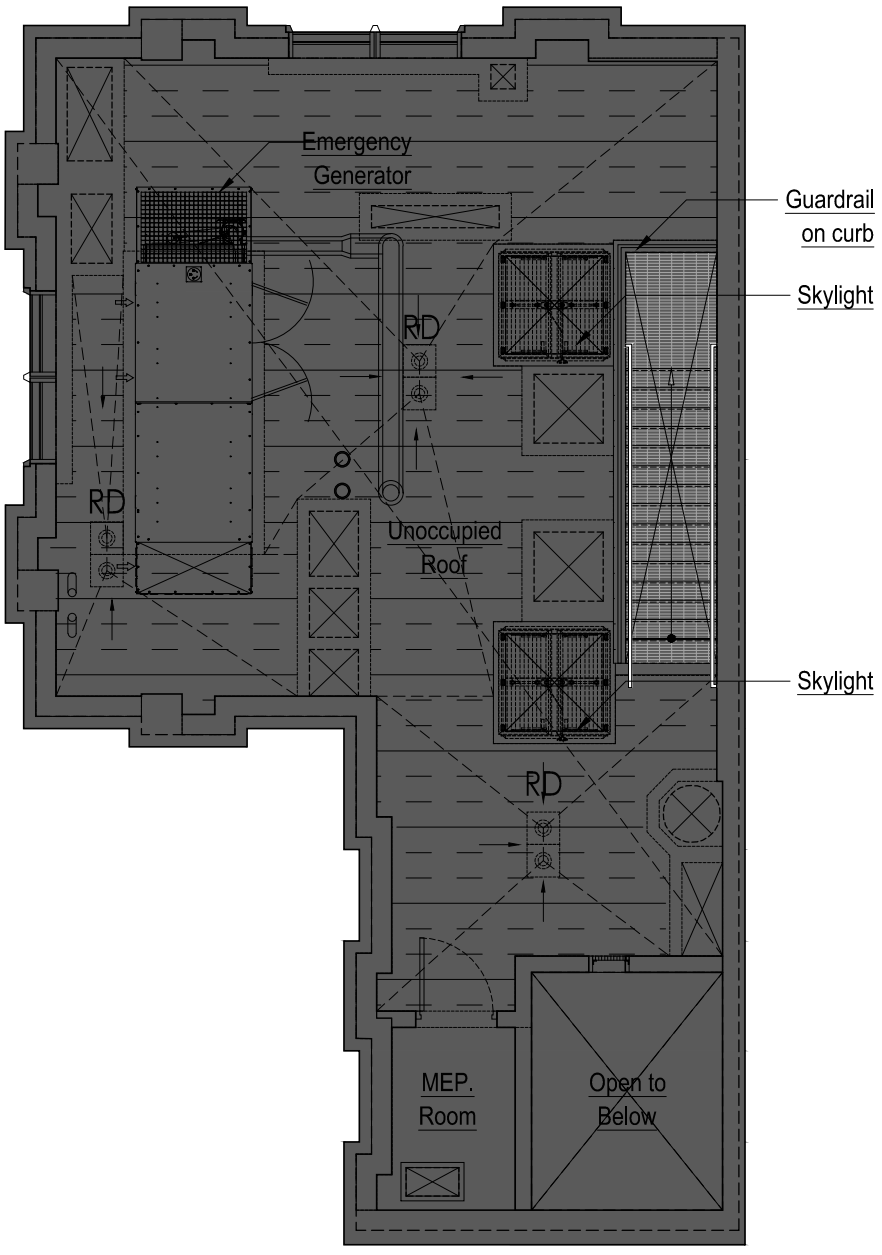


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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

BULKHEAD ROOF PLAN



SCALE:

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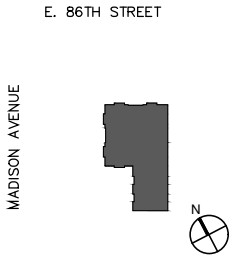
RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

GENERAL COMMON ELEMENT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

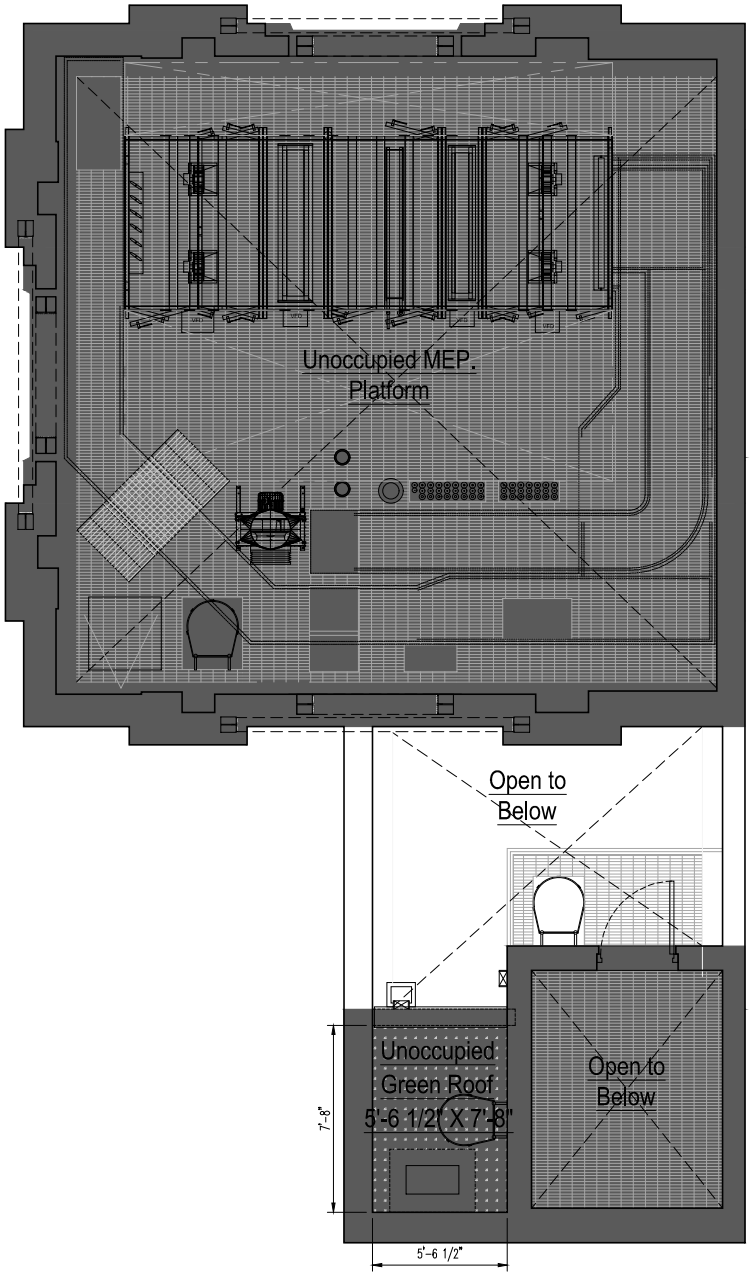


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August 4, 2021

BULKHEAD MEP. LEV. 1



RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

GENERAL COMMON ELEMENT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

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E. 86TH STREET

MADISON AVENUE

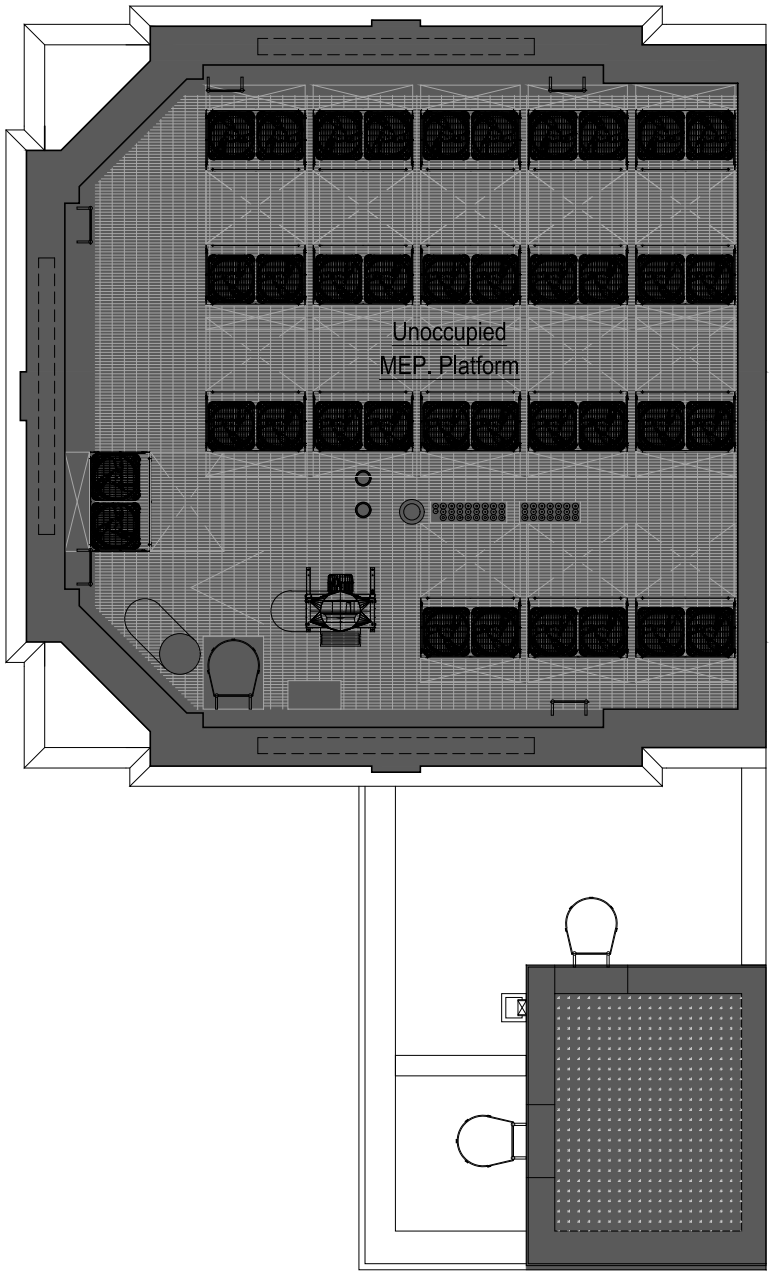
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August 4, 2021

BULKHEAD MEP. LEV. 2



RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

GENERAL COMMON ELEMENT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

SCALE:

0 10' 20' 30'

E. 86TH STREET

MADISON AVENUE

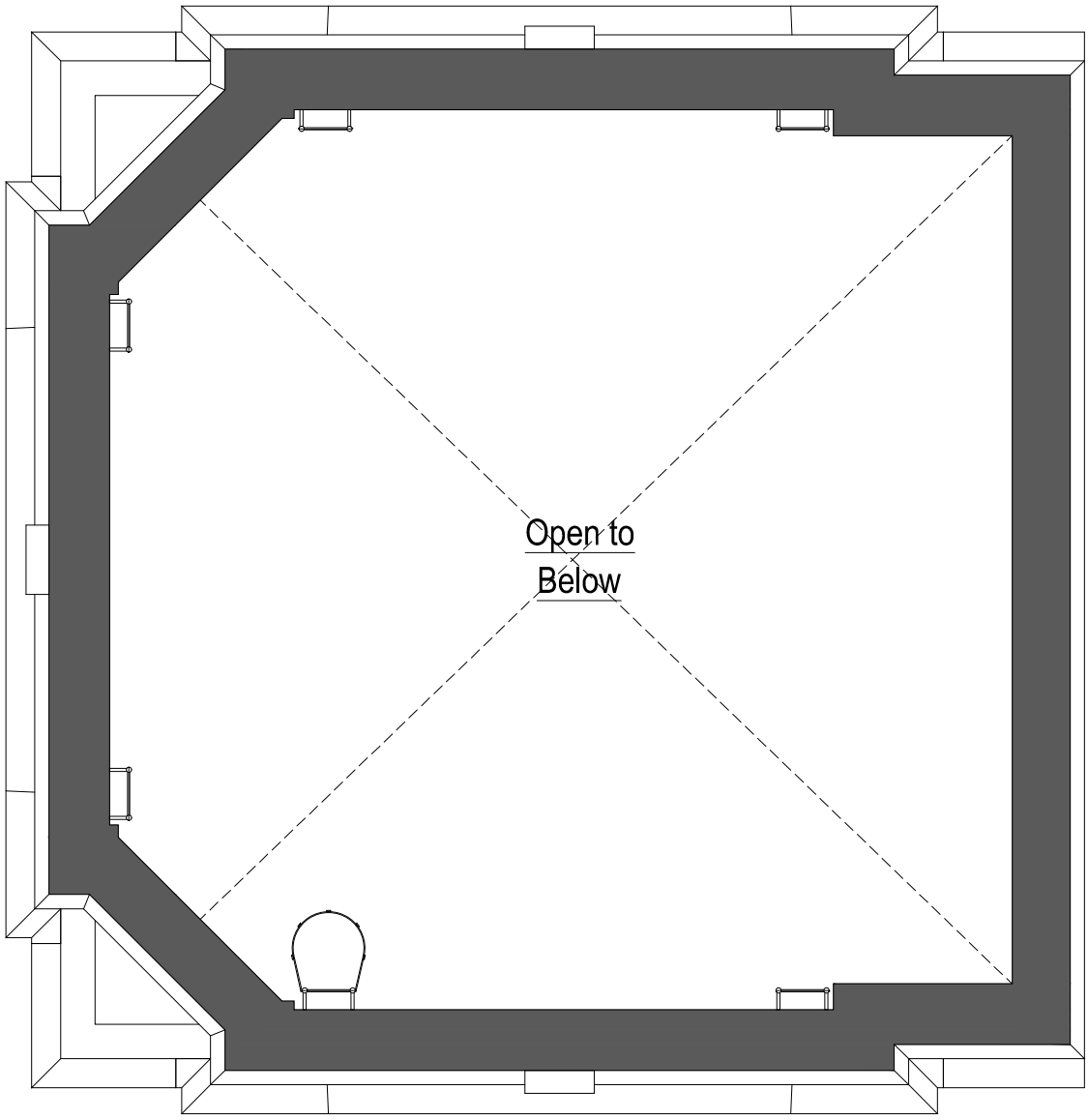
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August 4, 2021

BULKHEAD TOP ROOF



SCALE:

0 10' 20' 30'

RESIDENTIAL LIMITED COMMON ELEMENT

RESIDENTIAL UNIT

RESIDENTIAL COMMON ELEMENT

RD ROOF DRAIN

E. 86TH STREET

MADISON AVENUE

N

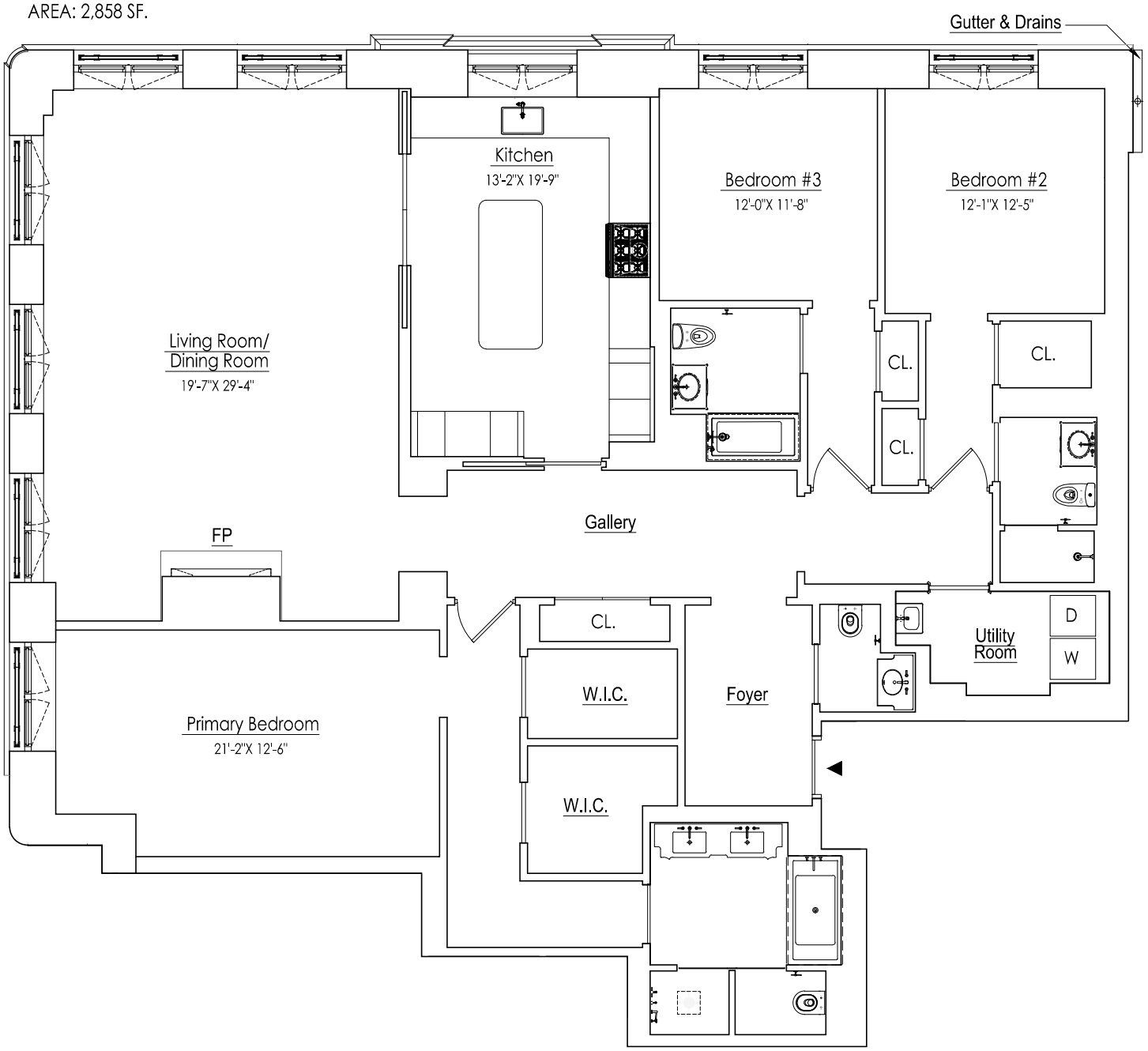
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August 4, 2021

RESIDENCE 3N

3 BEDROOMS
3.5 BATHROOMS
AREA: 2,858 SF.



SCALE:

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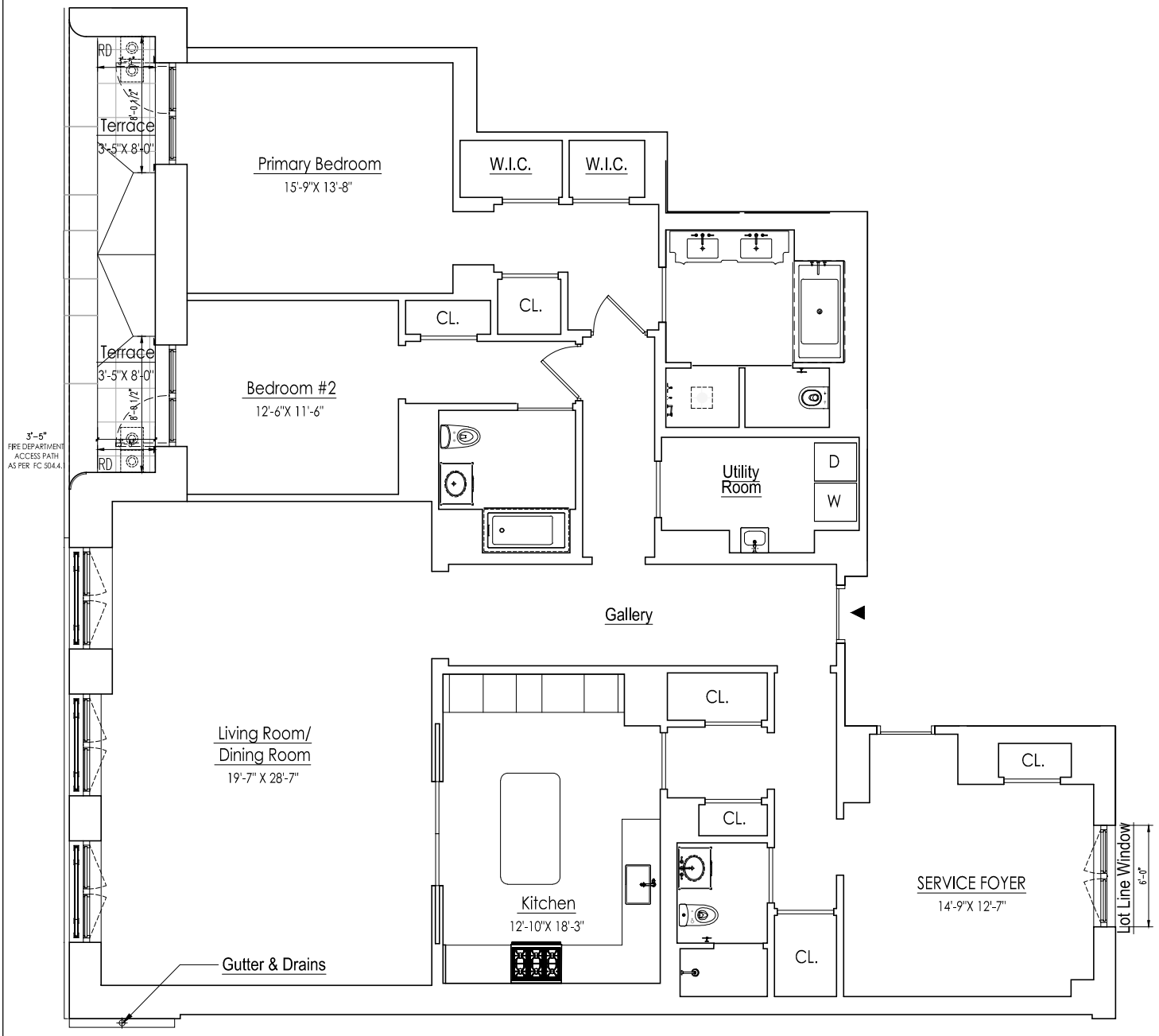
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August 4, 2021

RESIDENCE 3S

2 BEDROOMS
3 BATHROOMS
AREA: 2,665 SF.
TERRACE: 132 SF.



SCALE:

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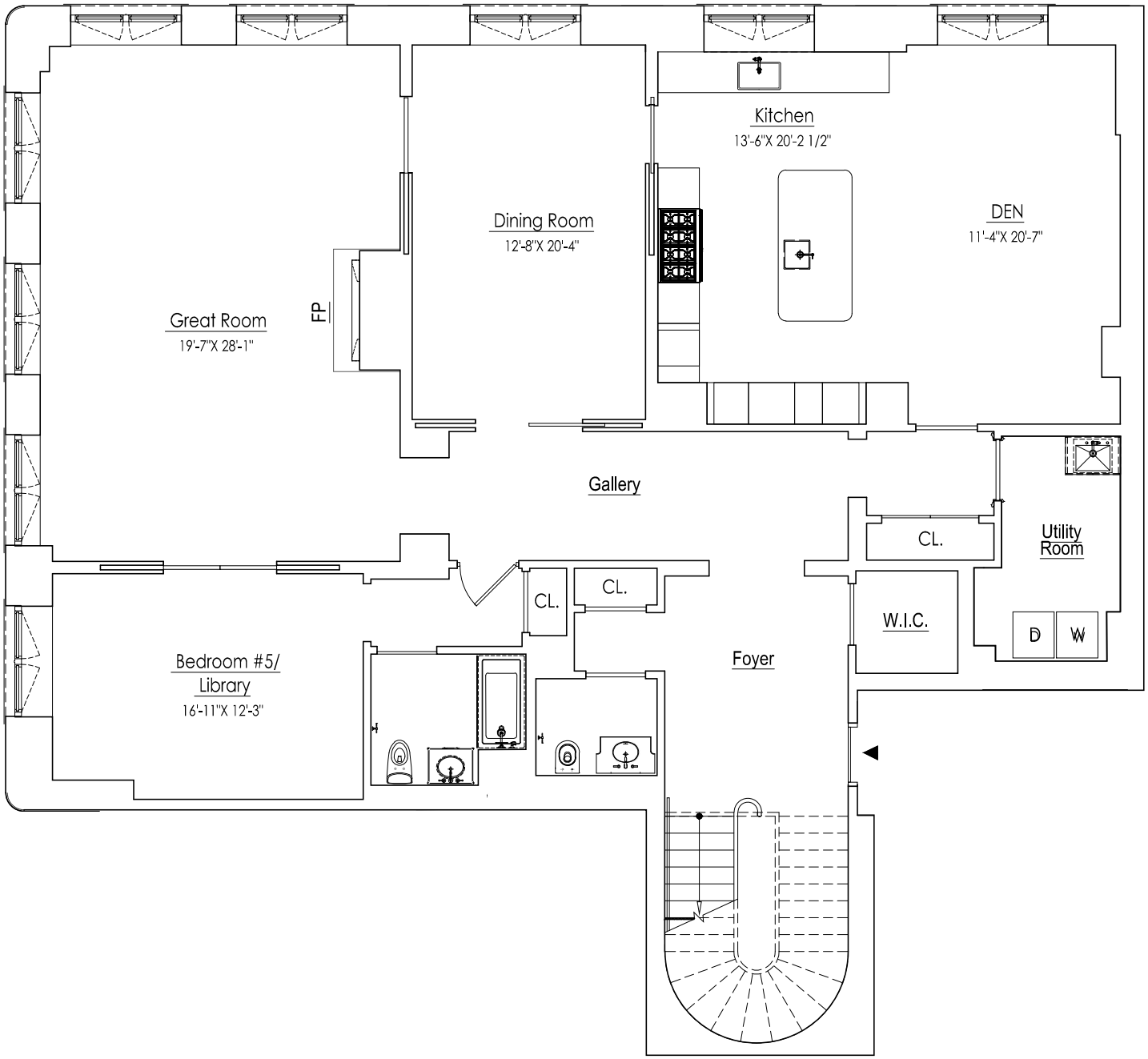
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August 4, 2021

RESIDENCE DUPLEX LOWER LEVEL

5 BEDROOMS
5.5 BATHROOMS
AREA: 2,768 SF.
TOTAL AREA: 5,053 SF.



SCALE:

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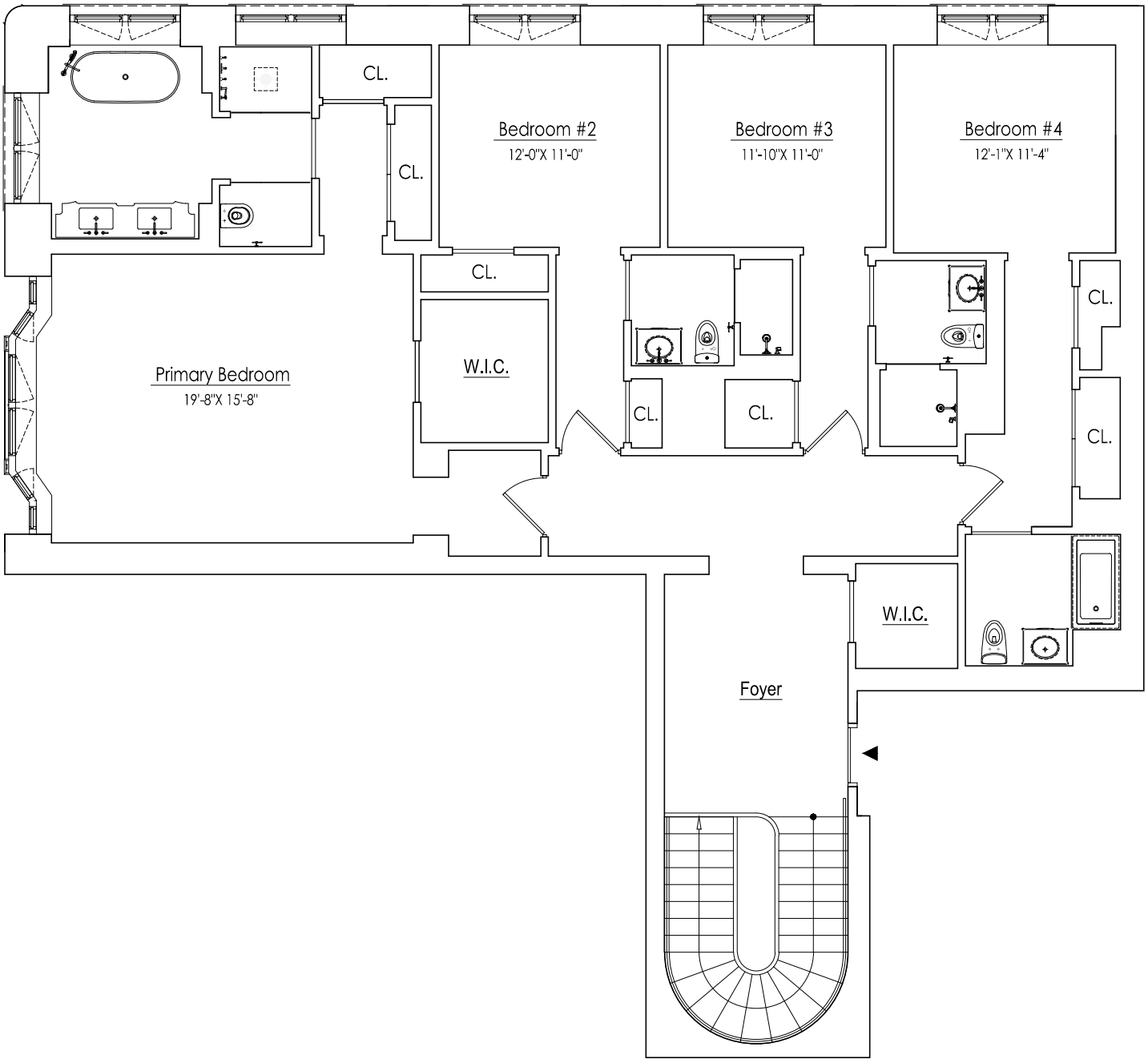
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

RESIDENCE DUPLEX UPPER LEVEL

5 BEDROOMS
5.5 BATHROOMS
AREA: 2,285 SF.
TOTAL AREA: 5,053 SF



SCALE:

0 5' 10' 20'

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August 4, 2021

RESIDENCE 4S

3 BEDROOMS
4 BATHROOMS
AREA: 2,755 SF.



SCALE:

0 5' 10' 20'

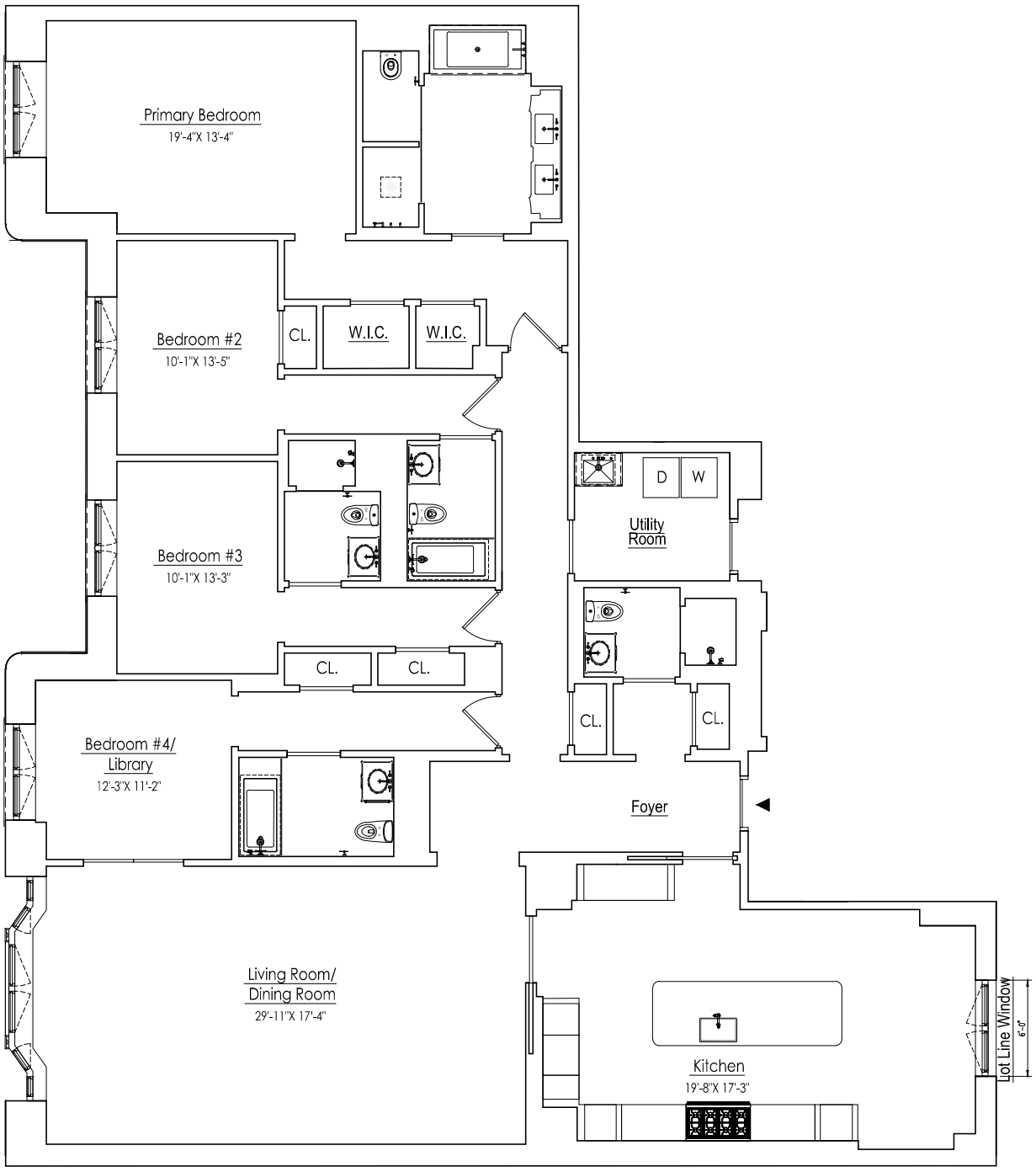
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August 4, 2021

RESIDENCE 5S

4 BEDROOMS
5 BATHROOMS
AREA: 3,225 SF.



SCALE:

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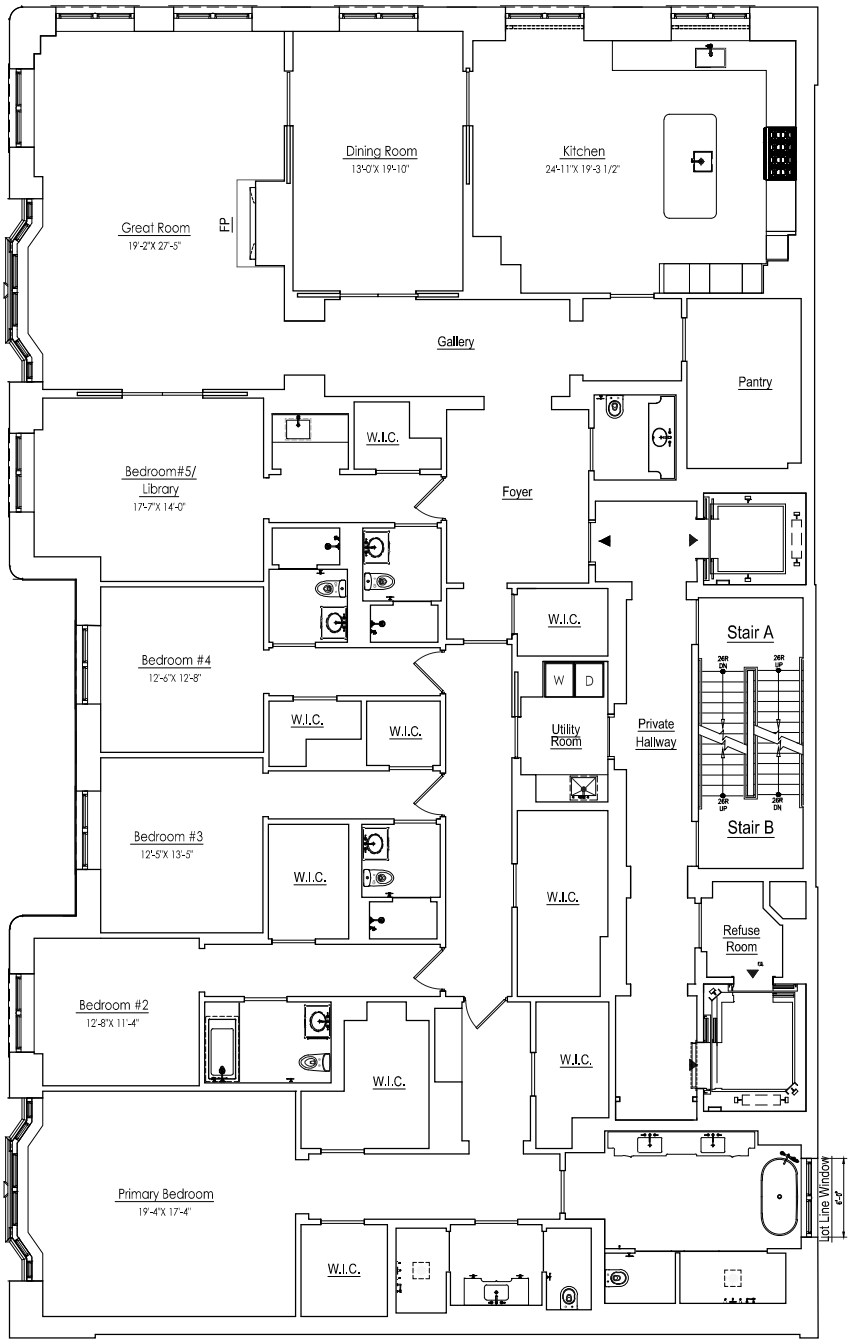
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August 4, 2021

RESIDENCE 7TH FLOOR

5 BEDROOMS
6.5 BATHROOMS
AREA: 6,118 SF.



SCALE:

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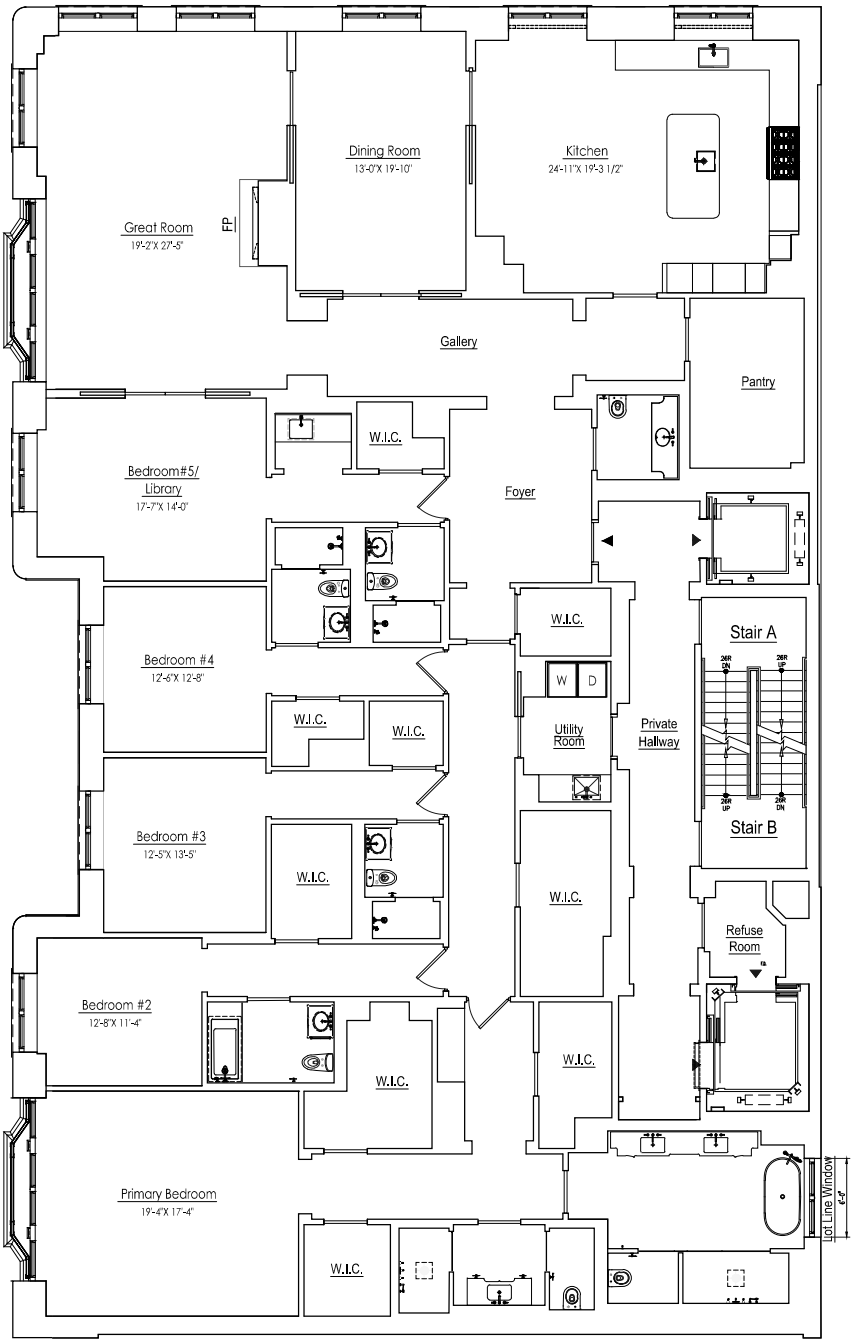
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August 4, 2021

RESIDENCE 8TH FLOOR

5 BEDROOMS
6.5 BATHROOMS
AREA: 6,094 SF.



SCALE:

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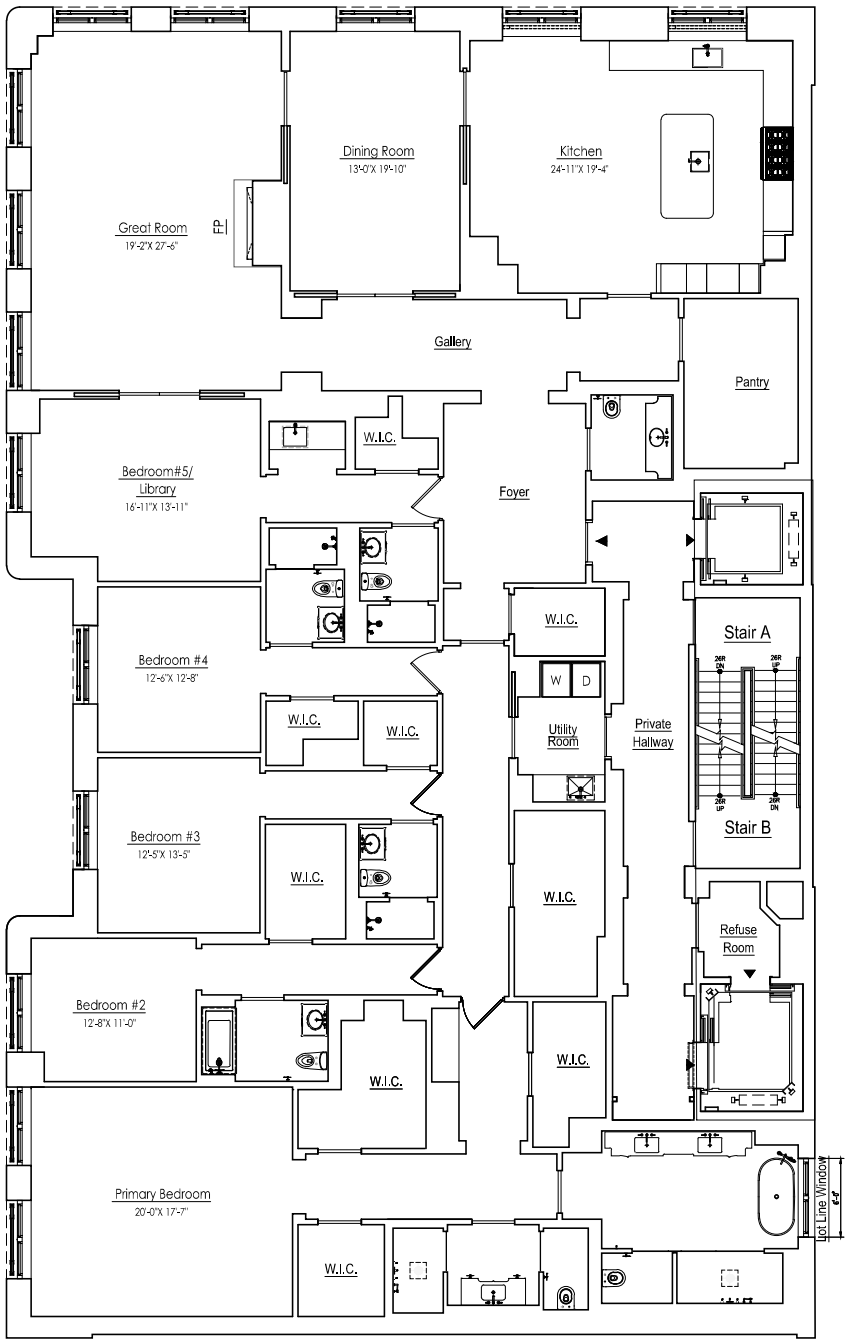
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August 4, 2021

RESIDENCE 9TH FLOOR

5 BEDROOMS
6.5 BATHROOMS
AREA: 6,132 SF.



SCALE:

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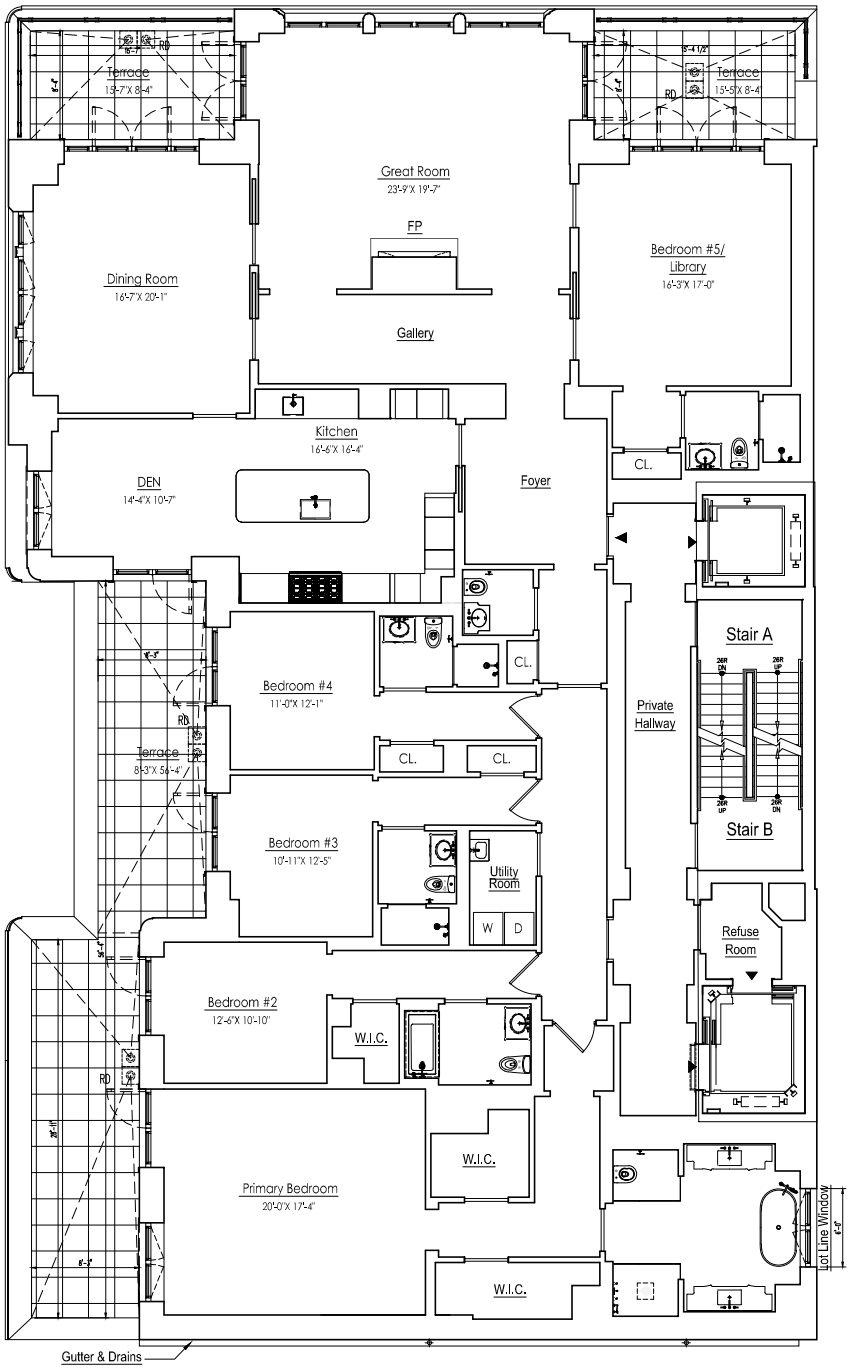
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE A

5 BEDROOMS
5.5 BATHROOMS
AREA: 5,209F.
TERRACE: 924 SF.



SCALE:

0 10' 20' 30'

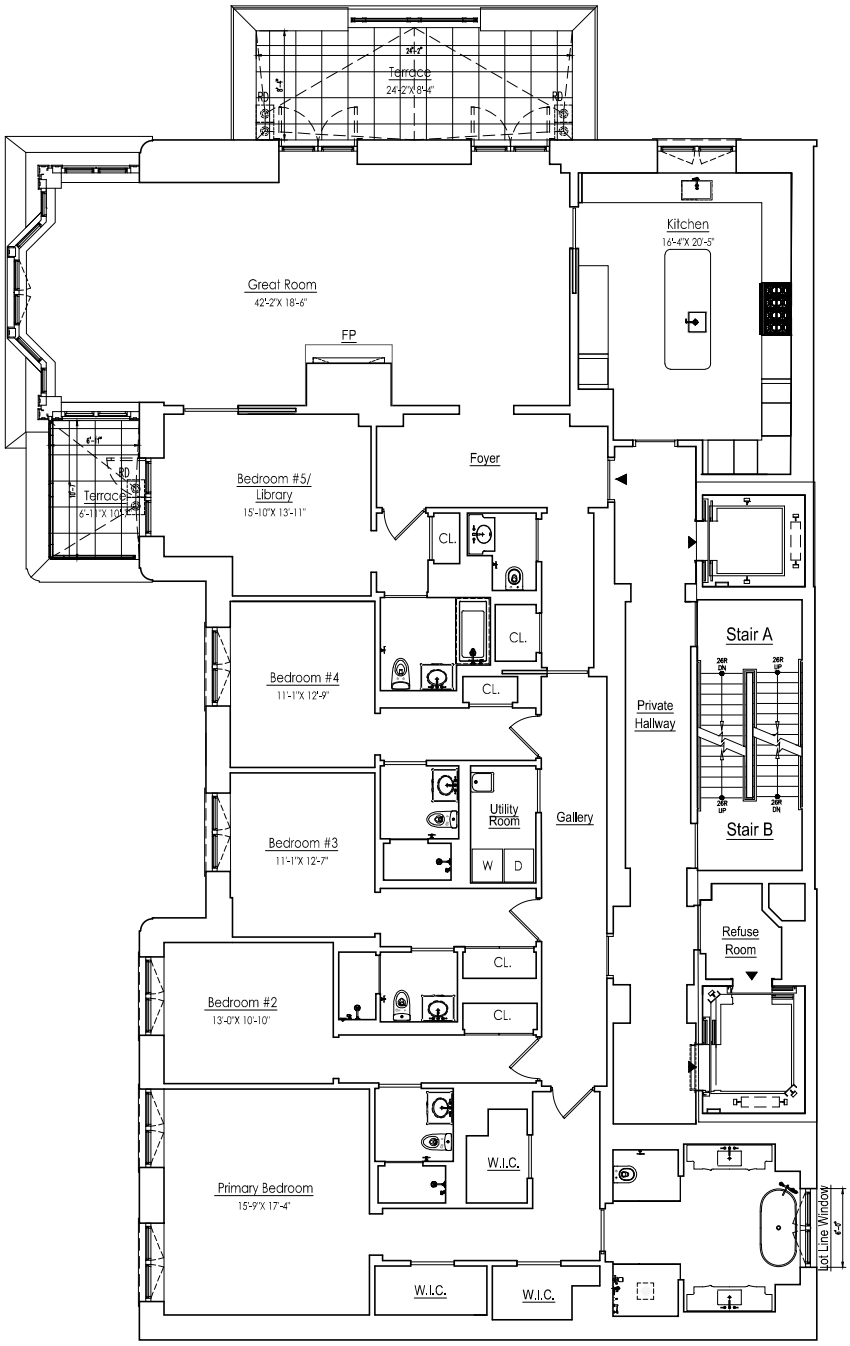
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NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE B

5 BEDROOMS
5.5 BATHROOMS
AREA: 4,784 SF.
TERRACE: 381 SF.



SCALE:

0 10' 20' 30'

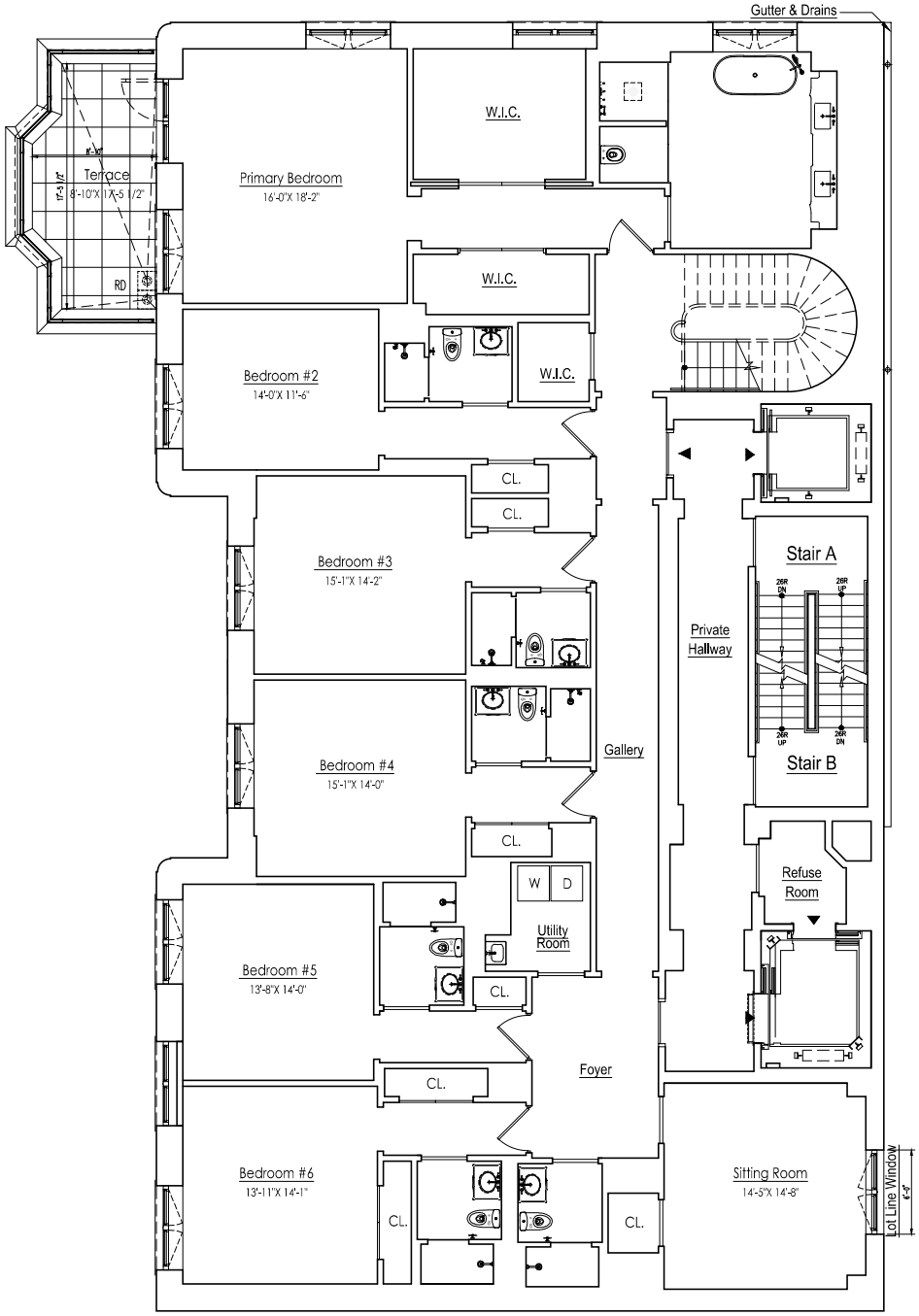
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NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE C-LOWER LEVEL

7 BEDROOMS
8.5 BATHROOMS
AREA: 4,419 SF.
TERRACE: 173 SF.
TOTAL AREA: 7,910 SF
TOTAL TERRACE: 1,101 SF



SCALE:

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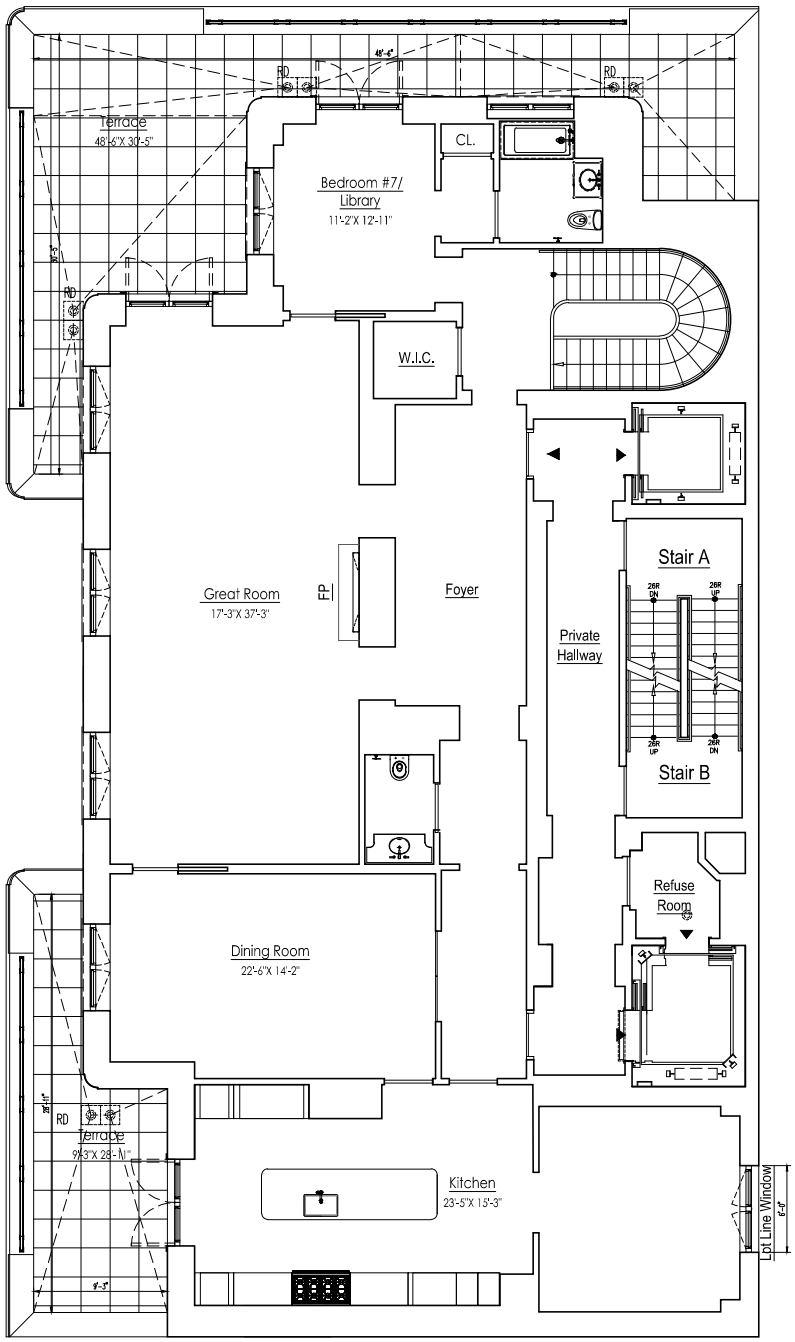
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE C-UPPER LEVEL

7 BEDROOMS
8.5 BATHROOMS
AREA: 3,491 SF.
TERRACE: 928 SF.
TOTAL AREA: 7,910 SF
TOTAL TERRACE: 1,101 SF



SCALE:

0 10' 20' 30'

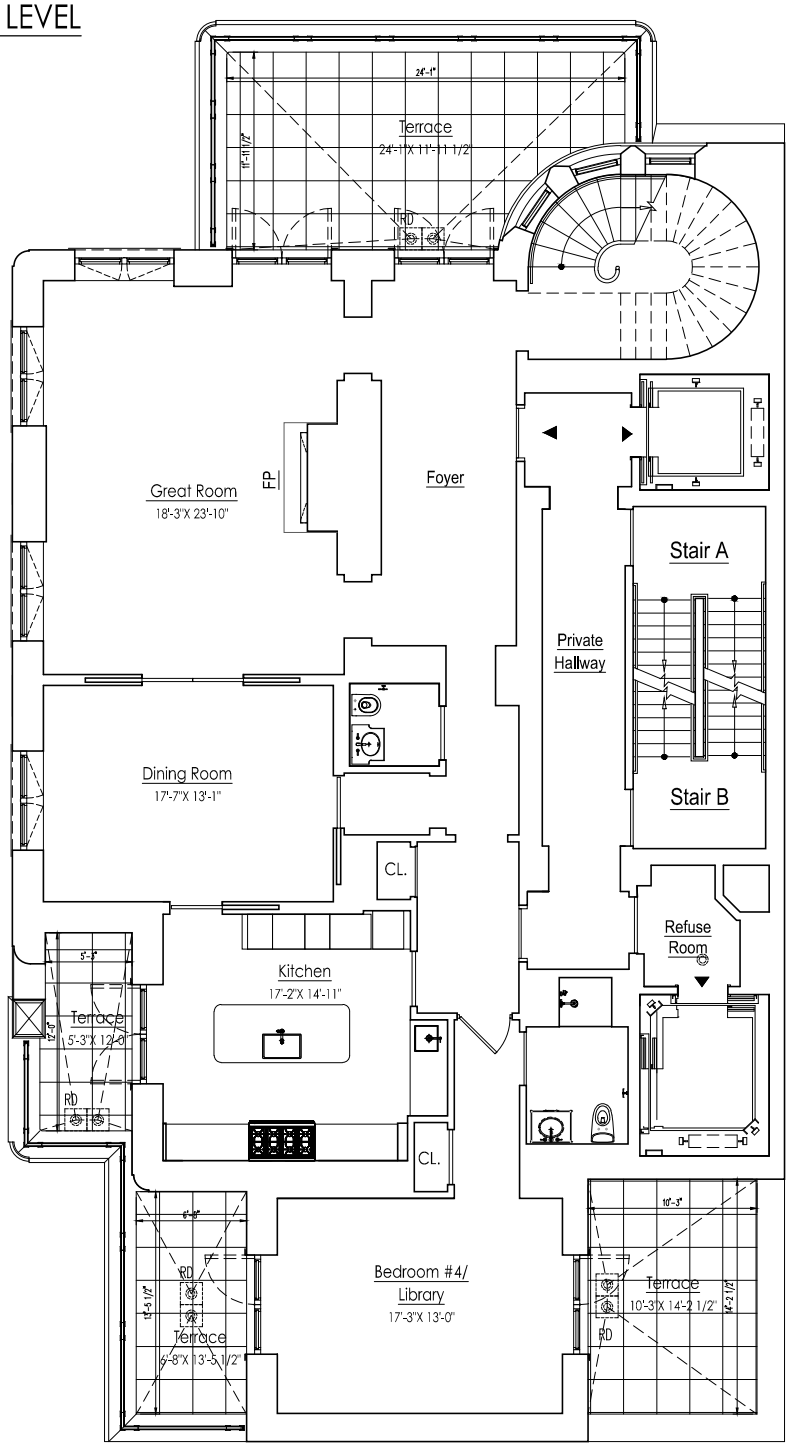
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE D-LOWER LEVEL

4 BEDROOMS
4.5 BATHROOMS
AREA: 2,955 SF.
TERRACE: 736 SF.
TOTAL AREA: 5,101 SF.
TOTAL TERRACE: 1,249 SF.



SCALE:

0 10' 20' 30'

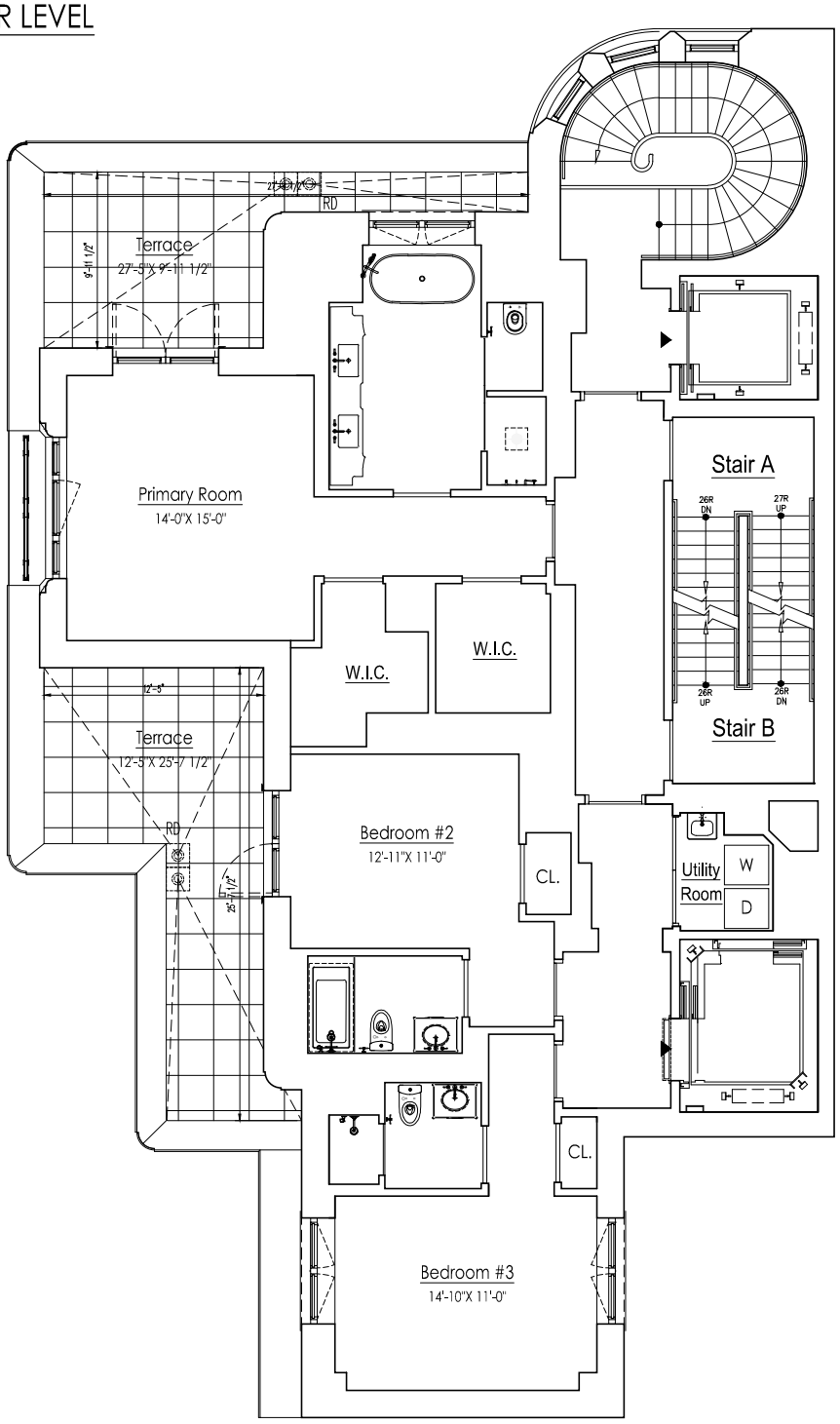
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

RESIDENCE
PENTHOUSE D-UPPER LEVEL

4 BEDROOMS
4.5 BATHROOMS
AREA: 2,146 SF.
TERRACE: 513 SF.
TOTAL AREA: 5,101 SF.
TOTAL TERRACE: 1,249 SF.



SCALE:

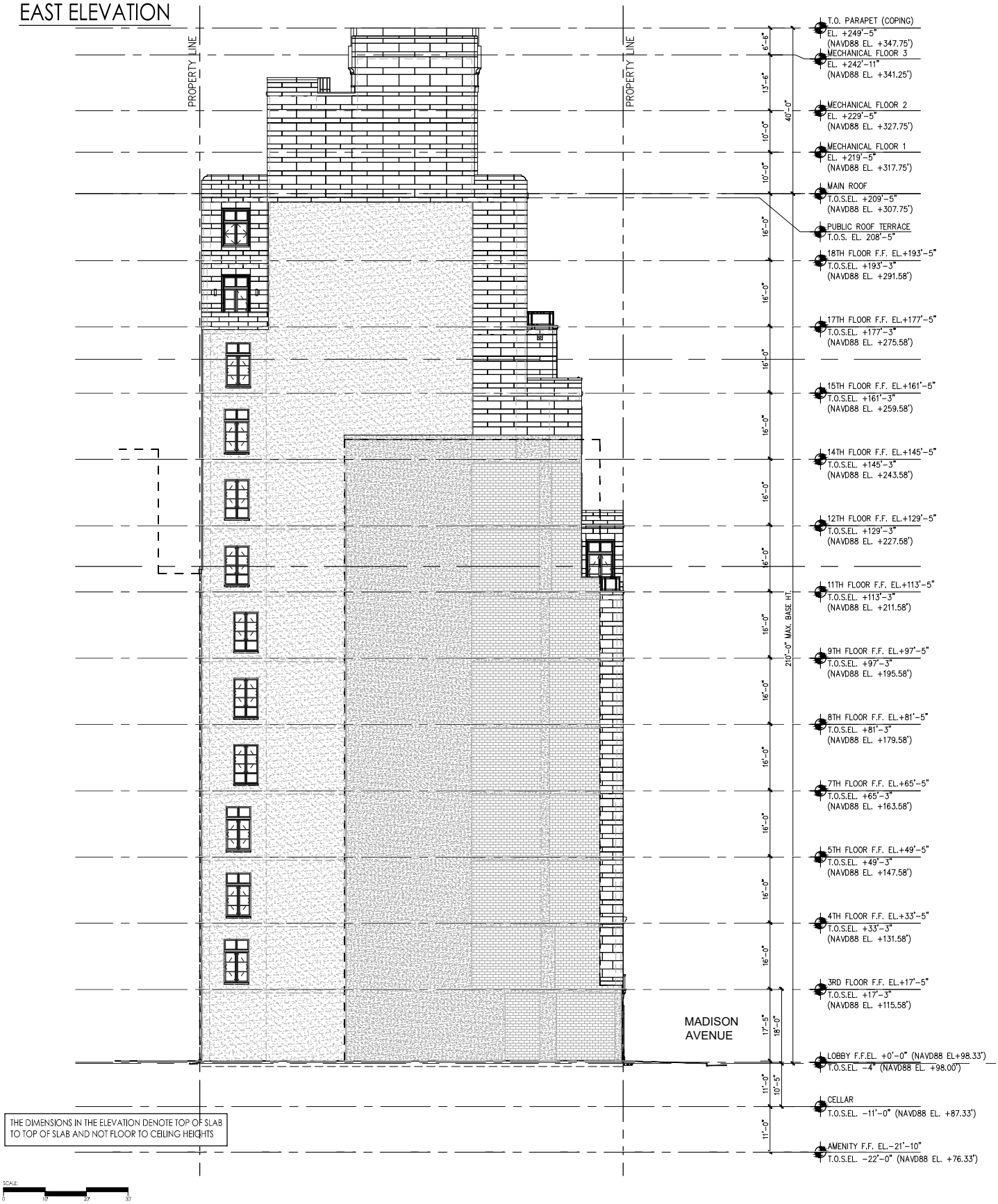
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

EAST ELEVATION



THE DIMENSIONS IN THE ELEVATION DENOTE TOP OF SLAB TO TOP OF SLAB AND NOT FLOOR TO CEILING HEIGHTS

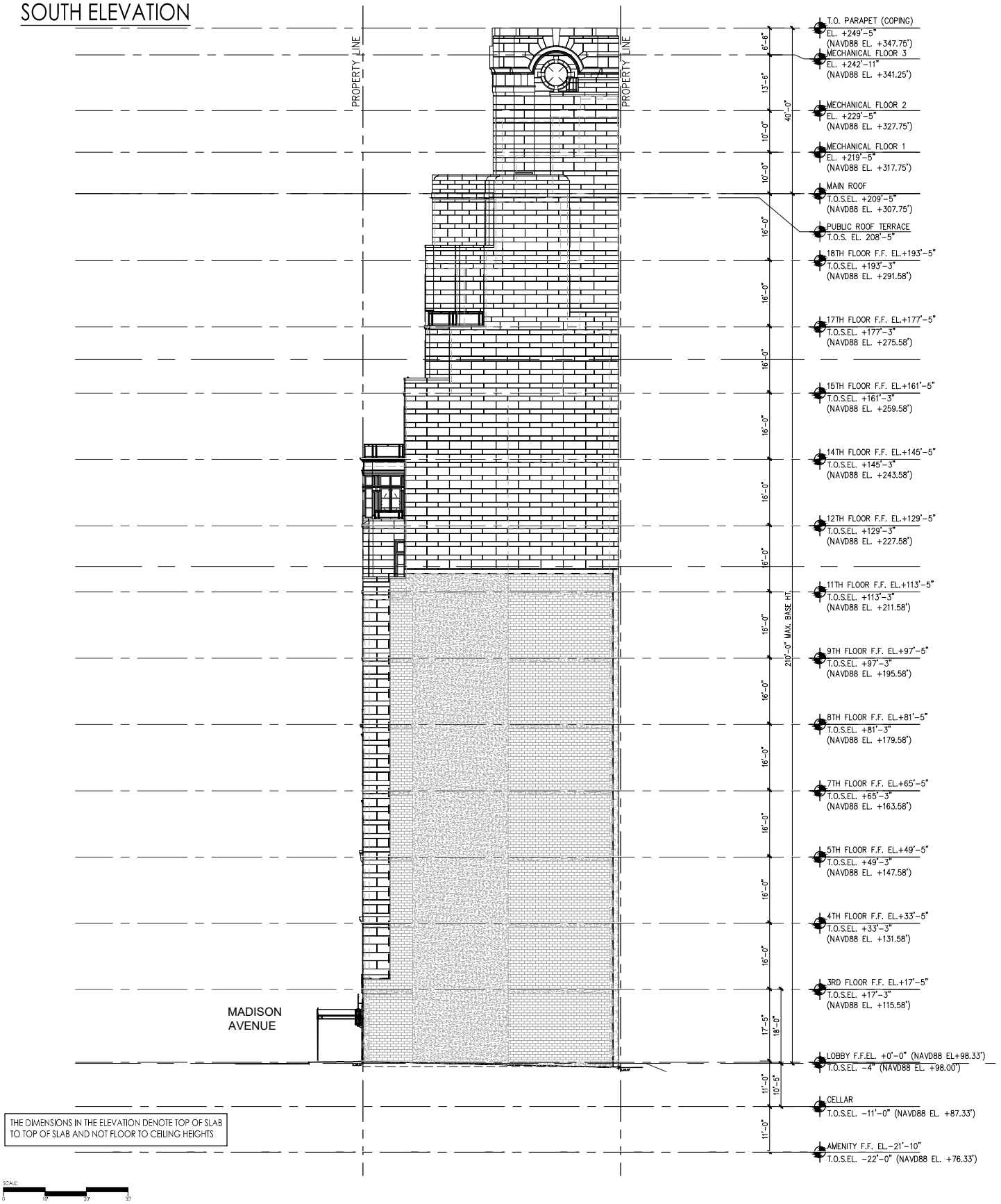
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

SOUTH ELEVATION



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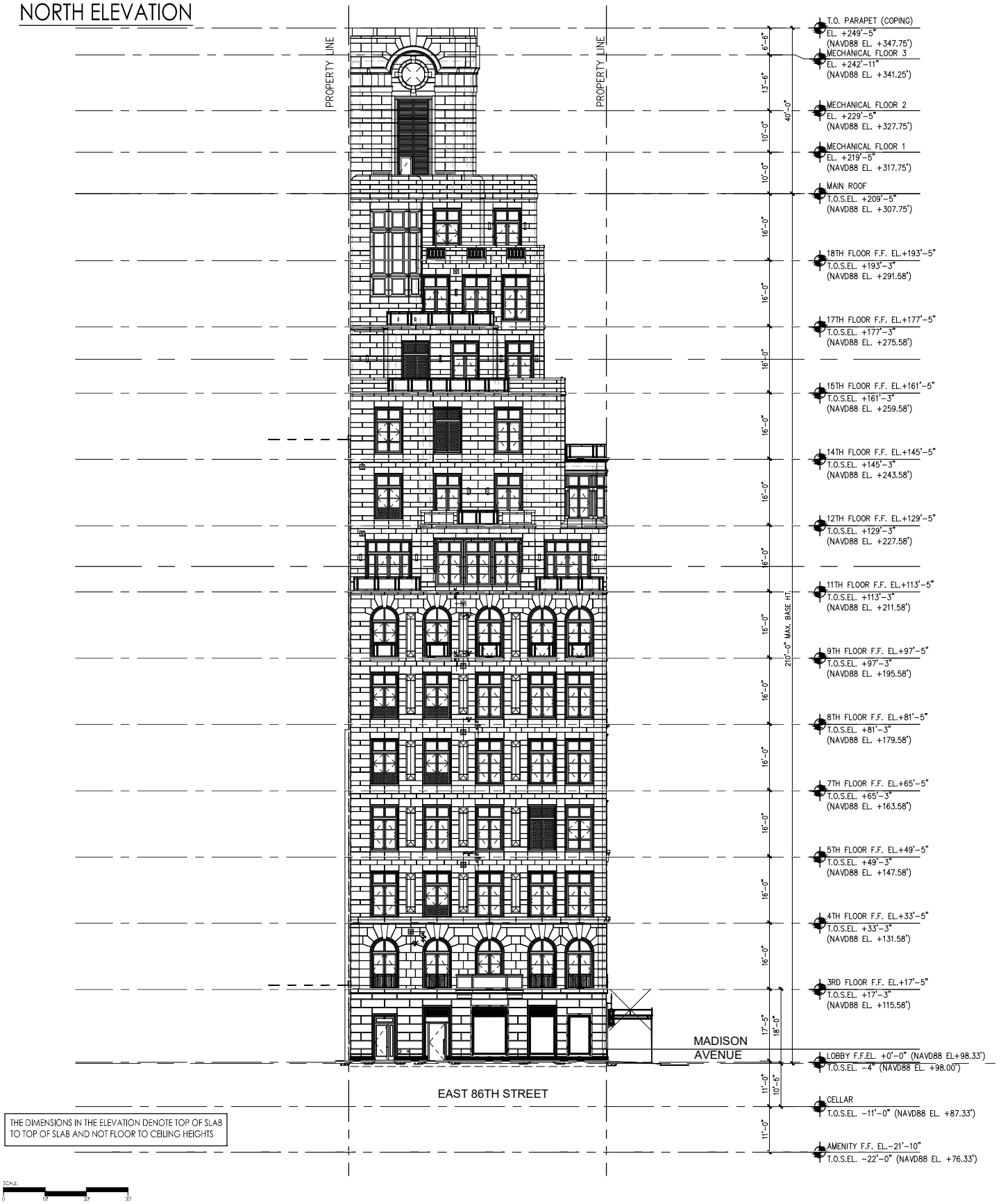
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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

NORTH ELEVATION

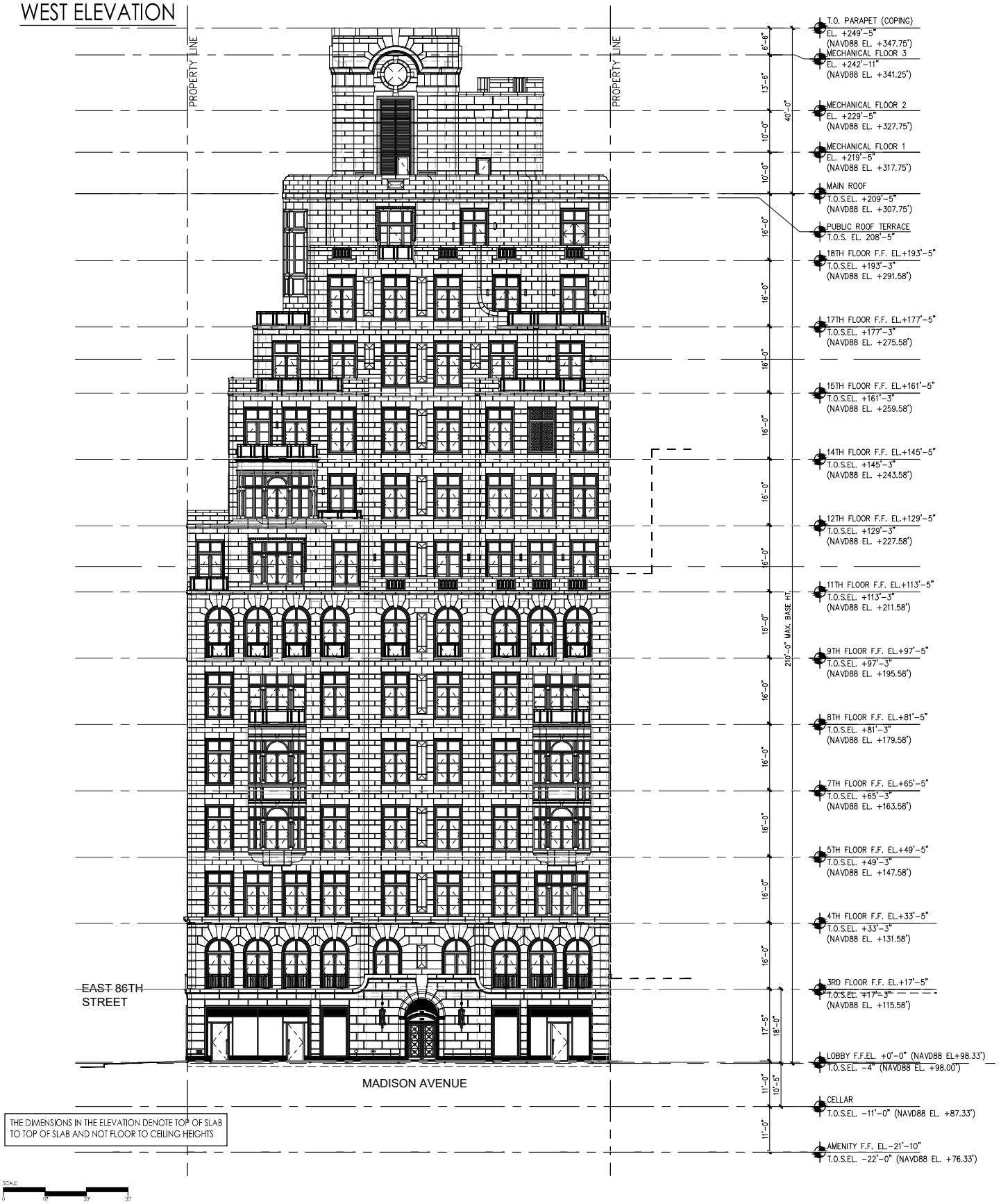


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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

WEST ELEVATION



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1165 MADISON AVE.
NEW YORK, NY 10028

August 4, 2021

EXHIBIT 6

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as
1165 Madison Avenue
New York, New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name

1165 MADISON AVENUE CONDOMINIUM

Declarant

1165 Madison Ave Owner LLC
c/o The Naftali Group
152 West 57th Street, 45th Floor
New York, New York 10019

Date of Declaration

_____

The land affected by this Declaration lies in
Block 1497, formerly known as Base Lots 52 and 53
now known as Lots _____ to _____
on the Block Map of Taxes and Assessment
in the Borough of Manhattan, County, City and State of New York

When Recorded, Return to:

Holland & Knight LLP
Attorneys for Declarant
31 West 52nd Street
New York, New York 10019
Stuart M. Saft, Esq.
(212) 513-3308

INDEX TO DECLARATION

Page

Article 1 Submission Of The Property; By-Laws....1
Article 2 The Land....2
Article 3 The Property....2
Article 4 The Building....3
Article 5 The Units....3
Article 6 Dimensions Of Units, Terraces And Storage Areas....4
Article 7 Common Elements....6
Article 8 Use Of Units And Common Area....9
Article 9 Changes In Unsold Residential Units....11
Article 10 Person To Receive Service....12
Article 11 Determination Of Percentage Interests In Common Elements....12
Article 12 Encroachments....13
Article 13 Facilities And All Other Common Elements....13
Article 14 Easements....14
Article 15 Power Of Attorney To The Board And To Sponsor....17
Article 16 Acquisitions Of Units By The Board....18
Article 17 Covenants Running With The Land....18
Article 18 Amendments Of Declaration....19
Article 19 Termination Of Condominium....19
Article 20 Captions....20
Article 21 Condominium Governance....20
Article 22 Certain References....21
Article 23 Severability....21
Article 24 Covenant Of Further Assurances....21
Article 25 Name Of Condominium And Building....22
Article 26 Successors And Assigns....22
Article 27 Waiver....23
Article 28 Consents....23
Article 29 Non Recourse....23
Article 30 Incorporation By Reference....23

Schedule A — The Land
Schedule B — Description of Units
Schedule C — Definitions
Schedule D — By-Laws of 1165 Madison Avenue Condominium
Exhibit A: Rules and Regulations
Exhibit B: Prohibited Uses for Commercial Units
Exhibit C: Signage Specifications for Commercial Units

DECLARATION

OF

1165 Madison Avenue Condominium

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

1165 Madison Ave Owner LLC, a Delaware limited liability company duly authorized to do business in the State of New York having an office at c/o The Naftali Group LLC, 1700 Broadway, 16th Floor, New York, New York 10019 ("Sponsor" or "Declarant"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Sponsor hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "1165 Madison Avenue Condominium" (the "Condominium").

1.2 Development Rights. Included in the Property are all the unused or additional floor area and related development rights that are now owned, subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Zoning Resolution") in respect of the Property (the "Development Rights") and the zoning lot containing the Property, all right, title and interest to which shall be initially allocated and assigned to and controlled by Penthouse A and the Unit Owner thereof, and which Development Rights, in the Declarant's sole discretion may be utilized by the Declarant or any party acquiring the same from Penthouse A (the "Development Rights Purchaser") and merged into a zoning lot by means of a declaration of restrictions and pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA"); and in connection with the foregoing, the Declarant shall have the sole right to apply for bonus floor area generated by the zoning lot and shall have sole ownership and control of the airspace above the Building and/or adjacent to the Building.

1.3 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of 1165 Madison Avenue Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time in accordance with the provisions hereof and thereof governing amendments, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

1.4 Definitions: All capitalized terms not defined in this Declaration or in the By-Laws shall have the definition set forth in the offering plan for the Condominium (the "Offering Plan" or "Plan") accepted for filing by the Department of Law on _____, _____ under CD__-_____, as amended from time to time.

1.4.1 All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

1.4.2 In the event of a conflict between the terms and provisions contained in this Declaration, on the one hand, and the terms and provisions of the By-Laws, on the other hand, the terms of this Declaration shall in all events govern.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned, as of the date hereof, by Sponsor in fee simple absolute and has an area of approximately 6,032 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building (the "Building") containing, in addition to lobbies, hallways, corridors and other service, utility and mechanical areas: (i) 12 residential units (collectively, the "Residential Units" and individually, a "Residential Unit"), located on the 2nd through Penthouse Floors (there being no 13th Floor) and the Roof of the Building; (ii) 12 storage areas (collectively, the "Storage Bins" and individually, a "Storage Bin"), located on the Subcellar Floor of the Building; (iii) 2 Commercial Units (collectively, the "Commercial Units", and individually, a "Commercial Unit") located on portions of the Cellar Floor and 1st Floor of the Building.

3.1.1 The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all Residential Units are herein collectively called the "Residential Unit Owners".

3.1.2 The licensee of a Storage Bin is herein called a "Storage Bin Licensee" and the owners of all Storage Bin licenses are herein collectively called the "Storage Bin Licensees".

3.1.3 The owner of a Commercial Unit is herein called a "Commercial Unit Owner" and the owners of all Commercial Units are herein collectively called the "Commercial Unit Owners".

3.1.4 The Residential Units and the Commercial Units are collectively called the "Units". The owners of the Residential Units and the Commercial Units are collectively called the "Unit Owners".

3.2 The street address of the Property is 1165 Madison Avenue, New York, New York 10028.

3.3 From the date hereof until the date on which a Unit is first conveyed or first distributed by Declarant to an unrelated Person, (i) Declarant shall have all the rights and obligations described herein and in the By-Laws with respect to such Unit as rights and obligations of the Unit Owner thereof and (ii) all references in this Declaration and in the By-Laws to the Unit Owner of such Unit shall be deemed to be references to Declarant.

3.4 From the date hereof until the First Closing, Declarant shall have the rights and obligations described herein and in the By-Laws as the collective rights and obligations of the Unit Owners and its Condominium Board; and, until such First Closing, all references herein and in the By-Laws to the Residential Unit Owners shall be deemed to be references to Declarant.

ARTICLE 4

THE BUILDING

The Building will be constructed of reinforced concrete flat plates supported by concrete columns and shear walls. The lateral system will be represented by the concrete central shear core and side shear walls. Exterior walls shall be newly constructed concrete masonry walls set within the concrete superstructure, with brick or stone veneer cladding anchored to CMU back-up and relieved with a shelf angle system at slabs. The Building will have a subcellar level and cellar level below grade and rise 18 stories to approximately 221' feet above the street.

ARTICLE 5

THE UNITS

5.1 The location of each Unit is shown on and is governed by the floor plans of the Building certified by Architecture by SLCE Architects, intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration (as the same may be amended from time to time, the "Floor Plans"). Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of rooms in the residential areas; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest in fee simple absolute (expressed as a percentage) in the Common Elements (the "Common Interest") appurtenant to such Unit.

5.2 Each Unit includes, and each Unit Owner shall be responsible for (maintaining, repairing, replacing, etc.), all fixtures, equipment and other items of personalty, including, without

limitation, front entrance door and any other entrance doors to such Unit, flooring and subflooring, wallcoverings, non-load bearing interior walls and partitions and sheet rock and plaster wall covering, smoke detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning units (including the fans inside the units), as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances and appliances within the Unit, and (ii) any equipment, fixtures or facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, to the extent located within a Unit and serving or benefiting only that Unit. Notwithstanding anything contained in this Article 5 to the contrary, each Unit Owner will have the right, subject to such rules as may be imposed by the Condominium Board, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

5.3 With respect to those Residential Units that contain a fireplace, the fireplace an all associated parts connected thereto, including, without limitation, the chimney and/or flue (the fireplace, together with such parts, the "Fireplace Parts") shall be deemed to be part of each of the aforementioned Residential Units, but the service and maintenance agreements for such Fireplace Parts shall be selected and entered into by the Condominium Board. The cost of such maintenance agreements shall be paid by the Condominium Board and assessed as a special assessment against the Owners of such Residential Units, in proportion of the number of Residential Units covered by such agreements. Owners of Residential Units with fireplaces will also be responsible for maintaining insurance with respect to the Fireplace Parts.

5.4 The Residential Units include all related Facilities exclusively serving the Residential Units.

5.5 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all of the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 6

DIMENSIONS OF UNITS, TERRACES AND STORAGE AREAS

6.1 The approximate floor area of each Unit has been measured horizontally from the exterior side of the exterior walls, centerline of adjacent stair wall and shared refuse room separating

a Residential Unit from such stair or refuse room, and centerline of public corridor, elevator, and of partitions separation one Unit from another Unit (columns, mechanical pipes, mechanical equipment, shafts, chases and conduits are not deducted from the measurements of each Unit). In addition, with respect to Penthouse A and Penthouse B, where a non-duplex Residential Unit is the only Unit on a given floor, the square footage of the residential elevator shafts, and residential egress stairs on such floor, which are Residential Common Elements, have been included in the total square footage of that Unit. With respect to Penthouse C and Penthouse D, which are full-floor duplexes and the only Residential Units on each of the Penthouse C and Penthouse D Floors, the square footage of the elevator shafts, and residential egress stairs on the upper level have been included in the square footage of the Unit, while on the lower level the square footage of one elevator shaft has been included in its total square footage. Outdoor floor areas of terraces or other outdoor areas, if any, appurtenant to a Unit were not included in the Unit's approximate floor areas.

6.2 Each Residential Unit is measured vertically from the top of the finished flooring (located above the slab and sub-floor materials) to the underside of the finished ceiling, subject to normal construction tolerances and the below.

6.3 The foyer, interior hallways, kitchen, bathroom, powder room, closets and other areas within the Residential Unit will have hung ceilings to accommodate facilities constructed above the ceiling or otherwise to respond to field conditions. Sponsor reserves the right to make changes due to unforeseen conditions in accordance to the Offering Plan. Each Residential Unit will be measured vertically from the top of the concrete slab to the underside of the slab above. The approximate top of slab (T.O.S.) to underside of slab (U.O.S.) heights and the approximate floor to ceiling heights (measured vertically from T.O.S., excluding finished floor, to finished U.O.S.) and typical dropped ceiling heights (measured from T.O.S. to finished ceiling) for the floors containing residential units are provided in the following chart. The ceiling heights will vary based on mechanical and structural conditions in the ceiling, and may be lower than the heights stated below. In conditions where the underside of slab is the finished ceiling, the ceiling height may vary, and may vary from room to room, due to as-built concrete conditions.

6.4 Each Terrace is measured horizontally from the exterior face of the exterior wall to the outside face of the parapet wall.

6.5 The storage bins are measured from outside mesh to outside mesh.

ARTICLE 7

COMMON ELEMENTS

7.1 The common elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities* located or contained therein for the common use of the Units and the Unit Owners (except for the Limited Common Elements, as described below) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and the Residential Limited Common Elements, all of which are described in Sections 7.2, 7.3 and 7.4 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

7.2 The General Common Elements include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Residential Common Elements and/or the Residential Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Declaration).

7.2.2 All foundations, foundation walls, exterior walls/wall systems, roofs (except as otherwise expressly provided in this Declaration), footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings.

* As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, soffit, pipe, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2.3 The boilers and related support structure.

7.2.4 All passages and corridors, mechanical and other utility rooms, (including, without limitation, [the Fire Pump Room, Domestic Water Service Room, Domestic Gas Service Room, Telecom Room, Electrical Services Room, all located on the Subcellar)][†] all fire staircases, landings and stairs, areas and spaces located in the Building, which are not Residential Common Elements or Residential Limited Common Elements or included in any Unit.

7.2.5 Any ventilation supply system consisting of motors, ductwork, fans and controls return piping, serving or benefiting the Building.

7.2.6 Hot water and condenser water systems.

7.2.7 All mechanical equipment and associated piping and controls serving or benefiting the Units.

7.2.8 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting the Building, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.9 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and cold water, including pumps, valves, pressure reducers, meters and water heaters, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.10 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.11 All other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Building.

7.2.12 All other parts of the Property either existing for the common use of the Units, or their respective Unit Owners or that are necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.2.13 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit and/or Residential Common Elements and/or Residential Limited Common Elements) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of

[†] To be revised based on Tax Lot Drawings.

the Property.

7.3 The Residential Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Common Elements; and also those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners, whether or not designated as Residential Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Common Elements include, without limitation, the following:

7.3.1 The Storage Bins located in the Cellar Floor of the Building.

7.3.2 Gym, Squash Court, theater, and children's playroom, all located on the Subcellar Floor.

7.3.3 The Residential Lobby, Back of House Storage, Toilet, Mail Area, hallways, entrances and exit entered from Madison Avenue, all of which are located on the 1st Floor.

7.3.4 The two (2) passenger elevators (PE1, PE2), in each case including the shafts, elevator equipment, elevator pits and entrances and appurtenant facilities.

7.3.5 Smoke detection alarm system, telephone system and cable television system.

7.3.6 The exterior planters and plants and associated irrigation facilities.

7.3.7 All security monitors and equipment and other security facilities serving or benefiting only the Residential Units.

7.3.8 The bicycle storage located on the Cellar Floor of the Building;

7.3.9 All passages, corridors, storage rooms, mechanical and other rooms, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building which exclusively serve or benefit the Residential Units and are not part of any Residential Unit.

7.3.10 The Common Terraces located on the Roof of the Building (as shown on the Floor Plans), including any furniture, fixtures and equipment, planters, plants and associated irrigation facilities located therein or thereon.

7.4 The Residential Limited Common Elements consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner, whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, the following:

Any terrace or balcony (each a "Terrace" and collectively the "Terraces") either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 Use of the Units.

8.1.1 General. As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Law expressly provided, Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation, as defined in the Zoning Resolution. Units may be owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Units may only be occupied by (i) any individual who is a Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Unit and is not being designated to use the Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit including, without limitation, as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, or any enterprise having similar attributes; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Subject to the foregoing, Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

8.1.2 Unsold Residential Units. Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and their its designee) may, without the permission of the Board or any other Person (as used herein, the term "Person" shall mean a natural person, corporation, partnership, limited liability company, association, trustee, governmental authority or other legal entity), use or grant permission for the use of any Unsold Residential Unit for any lawful purpose, including, but not limited to, the use of any Unsold residential Unit as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable Laws. As used in the Condominium Documents, "Unsold

Residential Unit" refers to any 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 any of their respective designees as the holder of one or more Unsold Residential Unit(s); any Residential Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Residential Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

8.1.3 Notwithstanding anything to the contrary contained herein, in the By-Laws or the Rules and Regulations to the contrary, Sponsor or its designee may, without the permission of the Board use or grant permission for the use of any Unsold Residential Unit (as hereinafter defined) as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units, subject to compliance with applicable governmental laws and regulations as to any such use.

8.2 Commercial Units. It is anticipated that the Commercial Units will be used initially for retail purposes; however, the Commercial Units may be used and/or operated for any legal purpose, provided such use is consistent with a high-end, luxury residential building in Manhattan, and further provided that certain uses are identified as "prohibited uses" as set forth in Exhibit B to the By-Laws. Further, in no event shall any use of a Commercial Unit be permitted that results in the issuance of noise, smoke, grease, odors or fumes that creates a nuisance or unreasonably interferes with the peaceful possession or proper use of the Property by Unit Owners or the occupants of their respective Units, as shall be determined in the Board's sole discretion. No income derived from any use of the Commercial Unit will constitute income to the Board or any other Unit Owner.

8.3 Common Elements.

8.3.1 Except as otherwise provided in the By-Laws: (i) the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited; (ii) Storage Bins may only be used in accordance with Section 6.10 of the By-Laws; and (iii) Terraces may be used only for purposes commensurate with the uses permitted of the Residential Units to which they are appurtenant.

8.3.2 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

8.3.3 No nuisance shall be allowed in the Property nor shall any use or practice be allowed in the Property which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-

Laws or this Declaration to maintain or repair such portion of the Property.

ARTICLE 9

CHANGES IN UNSOLD RESIDENTIAL UNITS

9.1 Unsold Residential Units. Notwithstanding anything to the contrary in Article 6 of the By-Laws, except to the extent prohibited by, or to the extent that the same will cause the Property or any portion thereof not to comply with, any applicable Laws, Sponsor and any other owner of an Unsold Residential Unit shall have the right, at any time and from time to time, without the vote or consent of the Board, any Unit Owner or other Person, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Residential Unit and/or the Common Elements; (ii) change, from time to time, the layout of, or number of rooms in, any Unsold Residential Unit and/or the Common Elements; (iii) change the size and/or number of Unsold Residential Units and/or the Common Elements by subdividing one or more such Residential Units into two or more separate Residential Units, combining separate Unsold Residential Units (including those resulting from a subdivision or combination or otherwise) into one or more Residential Units, altering any boundary walls between any Unsold Residential Units, and/or incorporating within any Unsold Residential Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required by Legal Requirements to be maintained as Common Elements based upon such alterations); (iv) whether in respect of subdivisions or combinations of the Unsold Residential Units or otherwise, designate all or any part of an Unsold Unit or a Common Element as part of a newly created or expanded Unsold Residential Unit or Common Element; (v) if appropriate, reapportion among the Unsold Residential Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Residential Unit's Common Interest will be made without obtaining the prior consent of all Residential Unit Owners affected by such change, except for a change in Common Interest to any or all Units in the Building arising from Sponsor's use of additional Floor Area in which case no consent from the Residential Unit Owners, Commercial Unit Owners, or their Permitted Mortgagees, if any; (vi) change the permitted use of some or all of the Unsold Residential Units; and (vii) amend (and/or cause the Board to amend) the Declaration, By-Laws and/or the Floor Plans, and to execute and file any other documentation, to reflect any of the foregoing provided, however, that: (a) such changes are in compliance with Section 339 of the New York Condominium Act; (b) the Common Interest of any other Units (other than the Unsold Residential Units (or other Units owned by such person) shall not be changed by reason thereof unless the owners of such other Units shall consent thereto; and (c) Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to defend and hold the Board and all other Unit Owners harmless from any liability arising therefrom. Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall have the right, without the consent of the Board, any Unit Owner or other Person to amend (and/or cause the Board to amend) the Declaration, the By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

9.2 Units Generally. Subject to this Declaration (including, without limitation, Section 9.4 below) and the By-Laws, the Unit Owner(s) of one or more Units (other than Unsold Residential Units), with the express written consent of the Board, which consent may be granted or withheld

for any reason in such Board's sole discretion, any other Unit Owner may be given, with respect to its Unit(s), the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Residential Units, including, without limitation, the right to change, combine, subdivide and/or otherwise reconfigure two (2) or more adjacent Units owned by such Unit Owner.

9.3 Consents. Subject to the immediately succeeding sentence, the provisions of Sections 9.1, 9.3 and 9.4 of this Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor any other owner of an Unsold Residential Unit. Wherever the consent, approval or satisfaction of Sponsor (as the owner of any Unsold Residential Unit(s)) or the owner of any Unsold Residential Unit(s) is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required when such party no longer owns any Unsold Residential Units.

9.4 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 9, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Residential Unit(s), at the election of Sponsor, by Sponsor, the managing agent of the Condominium or any other Person reasonably acceptable to the Board; and (b) in the case of any other Unit(s) by the managing agent of the Condominium or any other person reasonably acceptable to the Board.

ARTICLE 10

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the Condominium or the Board at One Commerce Place, 99 Washington Avenue, Albany, New York 12231. As of the date of this Declaration, any process received by the Secretary of State should be mailed c/o The Naftali Group, 1700 Broadway, 16th Floor, New York, New York 10019. Thereafter, the Condominium and the Board may each notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 11

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, 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 the Common Elements for

exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

ARTICLE 12

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, as the case may be, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or during any period in which it is being rebuilt or restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph (c) (ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 13

FACILITIES AND ALL OTHER COMMON ELEMENTS

13.1 Except as may otherwise be expressly set forth herein or in the By-Laws, each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement to use any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement, including, but not limited to, such easement as will be necessary to maintain, such Unit Owner's Unit.

13.2 Each Residential Unit Owner will have, in common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements and any facilities located therein, including, but not limited to, such easement as will be necessary to operate and maintain as necessary, such Unit Owner's Unit, and the Board, on behalf of all Unit Owners, shall have an easement to maintain, and to make repairs and alterations to, the Limited Common Elements.

13.3 Each Unit shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit or elsewhere on the Property. In addition, Sponsor (or its designee) and the Board shall have the right to erect scaffolding on or upon any of the Terraces or Common Terraces for a temporary period of time in connection with maintenance and repairs of the Building and its Common Elements. The Board and any managing agent, manager and other persons

authorized by the Board shall have a right of access to each Unit and any Residential Limited Common Element appurtenant to any Residential Unit, whether exclusive or not, (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules and Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Residential Common Elements and Residential Limited Common Elements) contained therein or elsewhere in the Property; or correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "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).

ARTICLE 14

EASEMENTS

14.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or the Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency. Except in the event of an emergency, the Commercial Unit Owner will coordinate any access to the Cellar Floor with the Managing Agent and an agent of the Managing Agent shall at all times accompany the Commercial Unit Owner or its agents in connection with access to the Cellar Floor.

14.2 Each Unit Owner of a Residential Unit with a Terrace shall have an easement for the exclusive use of such Terrace, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Terrace (and the Residential Unit to which such Terrace is appurtenant or designated) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

14.3 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, and, to the extent reasonably necessary, for the use of any Common Element (excluding all Limited Common Elements). The Units shall each be subject to such easement.

14.4 Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and

the Common Elements.

14.5 Each Unit Owner (except as otherwise set forth below) grants an easement over its Unit and the Common Elements (including, without limitation, its appurtenant Residential Limited Common Elements), and the Board grants an easement over and through the General Common Elements: (a) in the case of the Residential Unit Owners, to the Board for the purpose of (and to the extent reasonably necessary for) maintaining and repairing (including, without limitation, with respect to the provision of periodic access for routine inspection, testing and maintenance, as well as any repairs and replacements, in connection with the servicing of a Unit's HVAC systems), altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements such granting Residential Unit Owner's Residential Unit, the Residential Limited Common Elements, if any, appurtenant to its Residential Unit; (b) in the case of the Board and the Unit Owners, to each Unit Owner, in common with each other Unit Owner, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, repairing, altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements any portions of the grantee Unit Owner's Unit and any appurtenant Residential Limited Common Elements; (c) to each Unit Owner, and to the Board, in common with each other, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for their respective intended purposes), maintaining, repairing, altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements any Common Elements or other facilities located in or only readily accessible through such granting Unit Owner's Unit or Residential Limited Common Elements, if any, which serve other Units (including, without limitation, reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building); (d) to the Board (only to the extent permitted under the other provisions of the Condominium Documents) for the purpose of (and to the extent reasonably necessary for) preventing or minimizing damage to such Unit or to any other portion of the Property; (e) to the Board for the purpose of (and only to the extent reasonably necessary for) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; and/or (f) to the Board for the purpose of (and only to the extent reasonably necessary for) curing defaults hereunder or under the By-Laws, or correcting any conditions originating in such Unit Owner's Unit or Residential Common Elements or Residential Limited Common Elements and threatening the health, safety and welfare of the occupants of, or the property located within, another Unit or all or any part of the Common Elements).

14.6 Sponsor (or its designee) and its successors and assigns, shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs, canopies, flags or awnings or other protrusions on the Property, including without limitation, on the exterior of the walls of the Building, for the purposes of advertising the sale or lease of any Unsold Residential Unit, and/or the operation of any business of a tenant or occupant of all or any portion of any Unsold Residential Units, as the case may be.

14.7 Each easement and other right granted under this Article 14 shall be deemed to permit the benefited party's/ies' contractors, subcontractors, agents, representatives, Occupants, employees and other designees (and, in the case of a grant to the Board, the Managing Agent), to use such easement or other right, as applicable, if such Unit Owner so elects.

14.8 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

14.9 Until such time as no Unsold Residential Units are remaining in the Condominium, Sponsor and/or its designee (and their respective successors and assigns) shall have an easement: (i) to erect, use, lease, license, maintain, repair, replace and operate a structure, platform or other installation for any purpose permitted by legal requirements, including without limitation, for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment, on any part of the roof of the Building that was not expressly designated under the Plan (and actually used) for the exclusive or common use of one or more Residential Unit Owners, or for the location of any other Building equipment; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that was not expressly designated under the Plan (and actually used) for the exclusive or common use of one or more Residential Unit Owners, or for the location of any other Building equipment, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor and/or its designee under any lease, license or other right of use granted by Sponsor and/or its designee with respect to the roof or the aforesaid mechanical equipment room shall be the obligation solely of the owner of Sponsor and/or its designee and not of the Condominium and any rights of Sponsor and/or its designee, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and/or its designee and not of the Condominium. In connection with such easements and related rights, Sponsor and/or its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or useful for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement. The word equipment as used in this Section 14.9 shall be deemed to include fiber optic cable and other communications lines, wires, cables and conduits, as well as any other ancillary equipment, based upon all current and future technologies.

14.10 Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events and/or promotional functions in connection with the sale and leasing of Unsold Residential Units.

14.11 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 15

POWER OF ATTORNEY TO THE BOARD AND TO SPONSOR

15.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (d) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

15.2 Each Unit Owner shall grant to Sponsor and its successors or assigns an irrevocable power of attorney, coupled with an interest with power of substitution in the name of its designee (corporate or otherwise), even after no Unsold Units remain, but subject in all respects to the provisions of the Condominium Documents then in effect, to execute an amendment to any of the Condominium Documents to effectuate the rights granted to Sponsor thereunder, or acquire any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Sponsor, or obtain a permanent certificate of occupancy or an amended certificate of occupancy for all or any portion of the Building, or any of said documents, even after no Unsold Units remain, when such amendment: (a) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Sponsor in accordance with the Declaration; or (b) shall be required by: (1) a Permitted Mortgagee designated by Sponsor to make a mortgage loan secured by a mortgage on any Residential Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) any title insurance company selected by Sponsor to insure title to any Residential Unit,

15.3 Each Unit Owner shall grant to the Declarant, and to the Declarant's successors and/or assigns, a power of attorney to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of utilizing or transferring to or from the Declarant, or its successors and/or assigns, all or

any portion of the Development Rights.

ARTICLE 16

ACQUISITIONS OF UNITS BY THE BOARD

If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 17 and of any Rules and Regulations as may be adopted and amended from time to time, 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 Unit Owners of all or any part thereof, or interest therein, and their 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 and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York 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 New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York 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 New York Condominium Act.

17.3 Subject to the provisions of Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York 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 other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS OF DECLARATION

Article 13 of the By-Laws is incorporated herein in its entirety; and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of this Declaration.

ARTICLE 19

TERMINATION OF CONDOMINIUM

19.1 The Condominium shall continue and the Property shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least eighty percent (80%) in both number and aggregate Common Interests of all Unit Owners as set forth in the Declaration and the By-Laws. No such vote pursuant to clause (a) or (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative and the Retail Mortgagee Representative, if any. Sponsor or its designee will not vote its interests appurtenant to Unsold Residential Units

in favor of such withdrawal unless at least eighty percent (80%) in number and aggregate Common Interests of all other Unit Owners, as a group, elect to withdraw, at which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

19.2 In the event of withdrawal of the Property from condominium ownership, and only to the extent the waiver of the right of partition shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

ARTICLE 20

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 21

CONDOMINIUM GOVERNANCE

21.1 The affairs of the Condominium shall be governed and controlled by a Condominium Board, as described in the By-Laws. When in this Declaration or in the By-Laws an action is to be undertaken, or is authorized to be done by the Condominium, it shall mean the Condominium acting through its Condominium Board, unless the text clearly requires another interpretation (i.e., through a vote of the Unit Owners). When the Condominium Board is authorized or obligated to act, it shall be acting on behalf of all Unit Owners in the Condominium.

21.2 Notwithstanding anything to the contrary in the Condominium Documents, and to the extent permitted under applicable Law, it is the intention of the Condominium Documents that while one party owns all the Units in the Condominium (either beneficially or in fee), or owns some of the Units in the Condominium (either beneficially or in fee) and controls the Owner of the remaining Unit(s) in the Condominium, such party shall operate the Property as if the Property were not subject to a condominium regime. During the period these circumstances apply, it is the intention of the Condominium Documents that such party shall be deemed to be the Condominium Board for purposes of operating the Condominium to the extent and whenever applicable Law requires that there be a Condominium Board established to operate the Condominium, but that formal procedures for meetings and decision-making by and among Unit Owners and Board Members set forth in the By-Laws shall not be required. Notwithstanding the foregoing, each Unit is and shall remain a separate Unit for its own operational purposes, and each Unit Owner shall have all the economic and other rights and burdens of real property with respect to each Unit it owns. As such, a Unit Owner may and shall maintain separate accounting records, including, without limitation, separate profit and loss statements, for each Unit it owns.

ARTICLE 22

CERTAIN REFERENCES

22.1 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.

22.2 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.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Sections 17.2 and 17.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 24

COVENANT OF FURTHER ASSURANCES

24.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublesee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) 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. Without intending to limit the generality of the foregoing, the Board and each Unit Owner shall be required, upon the request of Declarant or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, any ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

24.2 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or party is required to take pursuant to his Declaration and such failure continues for an additional

ten (10) day period following receipt of a second written request therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient's failure or refusal to perform) then the Board is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

24.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 25

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "1165 Madison Avenue Condominium." Sponsor (or its designee) shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Sponsor (or its designee) shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor (or its affiliate(s)) as the sponsor of the Condominium and/or development of the Property, together with such other information as Sponsor (or its designee) determines in its sole discretion.

ARTICLE 26

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of some or all then Unsold Residential Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

ARTICLE 27

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 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Unsold Residential Units.

ARTICLE 29

NON RECOURSE

Except as otherwise expressly provided in the Declaration, the By-Laws or the Rules and Regulations, in no event shall Declarant nor any Unit Owner nor any member nor any partner, member, shareholder, employee, director, officer, beneficiary, trustee, manager, agent or affiliate of Declarant, any Unit Owner or any member or any officer of the Condominium Board, nor any partner, member, shareholder, employee, director, officer, manager, agent or affiliate, beneficiary, trustee or any heir, legal representative or successor or assign of the foregoing have any personal liability for the payment or performance of the duties or obligations contemplated by the Declaration, the By-Laws or the Rules and Regulations.

ARTICLE 30

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

1165 Madison Ave Owner LLC

By:_____
Name: Miki Naftali
Title: Manager

State of)
) ss.:
County of)

On the ___ day of April in the year 202__ before me, the undersigned, personally appeared Miki Naftali personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Signature and office of individual taking acknowledgment)

SCHEDULE A TO DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF 1165 Madison Avenue Condominium 1165 Madison Avenue NEW YORK, NEW YORK 10028 Block 1497

DESCRIPTION OF THE LAND

SCHEDULE B

DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF
1165 Madison Avenue Condominium
1165 Madison Avenue
NEW YORK, NEW YORK 10028
Block: 1497
DESCRIPTION OF UNITS

Unit Designation	Tax Lot Number	Statement of Location and Direction Faced	Approximate Sq. Ft. Unit Area	Approximate Sq. Ft. Terrace Area	Number of Bedrooms/ Bathrooms	Percentage of Common Interest	Common Elements to Which Unit Has Immediate Access

SCHEDULE C

DEFINITIONS

DEFINITIONS

For convenience, general definitions of certain terms used in Part I of the Plan are set forth below, which definitions are subject, in many cases, to the more particular definitions of such terms set forth in the Declaration and By-Laws included in Part II of the Plan.

Agreement: The option agreement to purchase a Unit pursuant to the Plan, the form of which is set forth as Exhibit 1 in Part II of the Plan.

Amenity Spaces: Indoor Amenities for the shared use of Residential Unit Owners, which constitute Residential Common Elements. The Amenity Spaces in the Building are presently anticipated to include a gym, squash court, theater, and children's playroom, all located on the Subcellar Floor.

Board: The board of managers of the Condominium, also sometimes referred to as the "Condominium Board" and/or the "Board of Managers."

Building: The building and other improvements located on the Land and commonly known as 1165 Madison Avenue Condominium, New York, New York.

By-Laws: The by-laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, including the Rules and Regulations.

City Register's Office: The New York County office of the Register of The City of New York.

Commercial Unit: Any one of the two commercial units located on portions of the 1st Floor of the Building, and collectively referred to as the "Commercial Units".

Common Charges: Assessments payable to the Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Unit Owners will pay Common Charges based on their proportionate share (among all Unit Owners) of Common Expenses. Common Charges also includes specific amounts assessed against individual Unit Owners in connection with maintenance expense of terrace areas appurtenant to Units owned by such Unit Owners.

Common Elements: The entire property, including the Land and all parts of the Building and other improvements thereon, other than the Units. The Common Elements include, among other things, the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of all or some of the Units or all or some of the Unit Owners. The Common Elements include the General Common Elements, Residential Common Elements and the Residential Limited Common Elements.

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners.

Common Interest: The proportionate undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, expressed as a numerical percentage and

determined in accordance with the Declaration. The total Common Interest appertaining to all Units equals 100%. As described more fully in the By-Laws, generally, the Common Interest is the basis of determining, among other things, a Unit Owner's voting power and general liability for a share of the Common Expenses.

Common Terrace: A terrace for the benefit of the Residential Unit Owners, located on the Roof as shown on the Floor Plans.

Condominium: 1165 Madison Avenue Condominium.

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

Declaration: The instrument creating the Condominium, the form of which is set forth as Exhibit 6 in Part II of the Plan.

Department of Buildings or DOB: The Department of Buildings of The City of New York.

Equal or Better or equal to or better than or like terms: Items (including, without limitation, materials, appliances, equipment, fixtures and other construction details) that are of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or classifications, as applicable.

Facility or facilities: As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit, cable, riser, main, shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

First Annual Meeting: The first annual meeting of the Unit Owners, which shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title to Units representing at least fifty percent (50%) both in number and aggregate Common Interests of all Units to Purchasers.

First Closing: The first date upon which title to any Residential Unit is conveyed to a Purchaser under the Plan.

First Year of Condominium Operation: The 12 month period commencing on the date of the First Closing, currently anticipated to be the period from July 1, 2023 through June 30, 2024.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Tax Map Unit, Land Records Division of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

Force Majeure: Means 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, government restrictions or closures, 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, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

General Common Elements: All of the Common Elements which are not Limited Common Elements as more particularly described in the Declaration and as shown on the Floor Plans for the Building.

Land: The land situated on the east side of Madison Avenue between East 85th Street and East 86th Street and known by the street address of 1161-1171 Madison Avenue , New York, New York 10028, as further and more particularly described in the Declaration.

Legal Requirements: All laws, statutes and ordinances (including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the Landmarks Preservation Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof, all as more fully provided in the By-Laws.

Managing Agent: It is anticipated that the managing agent of the Condominium will initially be Century Management Services, Inc., having a principal office address at 440 Ninth Avenue, Suite 1500 New York, New York 10001, pursuant to a management agreement, as more fully discussed in "Management Agreement" in Part I of this Plan. Managing Agent is an affiliate of Sponsor.

Offeree: A Purchaser who has executed and delivered an Agreement to Sponsor or Selling Agent and whose Agreement is in effect, and a Unit Owner.

Offering Plan or Plan: This offering plan, as the same may be amended from time

to time.

Permitted Encumbrances: Those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement.

Permitted Mortgage: A mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of the By-Laws.

Permitted Mortgagee. The holder of a Permitted Mortgage as more fully described in the By-Laws.

Plans and Specifications: The plans and specifications for Sponsor's construction work at the Building which (to the extent required by applicable Legal Requirements) have been or will be filed with the Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

Property: The Land, the Building and the easements, rights and appurtenances thereto, including, without limitation, all Common Elements.

Purchaser: A purchaser of one or more of the Units offered hereunder pursuant to an Agreement.

Residential Common Elements: Those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners as more particularly described in the Declaration. Notwithstanding that the Storage Bins constitute Residential Common Elements, Sponsor has the right to offer for sale licenses for such spaces for the exclusive use of a given Residential Unit Owner.

Residential Limited Common Elements: Those Common Elements which serve or benefit exclusively one Residential Unit or Residential Unit Owner as more particularly described in the Declaration. The Residential Limited Common Elements include, without limitation, any Terrace either appurtenant or designated to any Residential Unit (although the benefitted Residential Unit Owner shall have the responsibilities with respect thereto as are set forth in the By-Laws).

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

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Exhibit A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws.

Sales Office: The sales office for the Condominium, at a location to be designated by the Selling Agent from time to time.

Selling Agent: It is anticipated that the selling agent for the Plan will initially be Compass Development Marketing Group, 90 Fifth Avenue, New York, New York 10011.

Sponsor; Sponsor or its designee; or similar phrases: 1165 Madison Avenue Owner LLC, and its successors and assigns.

Sponsor Control Period: The period ending upon the earlier to occur of: (a) the fifth anniversary of the First Closing; or (ii) the closing of title to all of the Residential Units.

Sponsor's Office: The office of Sponsor located at c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York 10019, or any other office regularly maintained by Sponsor in the City of New York.

Storage Bins: One of 12 Storage Bins located on the Cellar Floor, which will be made available for the exclusive use certain of the Unit Owners pursuant to Storage Bin License Agreements and which constitute Residential Common Elements.

Terrace: Any of the terraces appurtenant to a Unit as shown on Floor Plans, which Terraces are Residential Limited Common Elements.

Title Company: Royal Abstract, with an address at 125 Park Avenue, Suite 1610, New York, New York 10017, (212) 376-0900, or such other title insurance company licensed to do business in New York and designated by Sponsor in an amendment to this Plan.

Unit: Any space designated as a Unit in the Declaration. All or any of such Units are collectively referred to as the "Units."

Unit Owner or Owner: The owner of a Unit at the time in question.

Unsold Residential Units: Any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of its designees as the holder of one or more Unsold Residential Units; any Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

Zoning Resolution: Zoning Resolution of The City of New York, effective as of December 15, 1961, as the same has been and hereafter may be amended from time to time.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as the case may be. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

SCHEDULE D

BYLAWS OF 1165 MADISON AVENUE CONDOMINIUM
1165 Madison Avenue
NEW YORK, NEW YORK 10075
BLOCK 1497

[By-Laws attached on the following page.]

EXHIBIT 7

CONDOMINIUM BY-LAWS

BY-LAWS

OF

1165 MADISON AVENUE CONDOMINIUM

Table of Contents

Page

ARTICLE 1 GENERAL 1
1.1 Purpose 1
1.2 Applicability of By-Laws 1
1.3 Principal Office of the Condominium 1
ARTICLE 2 BOARD OF MANAGERS 1
2.1 General Description of the Board 1
2.2 Powers and Duties of Board 2
2.3 Number and Terms of Office of Members of the Board 8
2.4 Election of Board Members; Rights of Sponsor 9
2.5 Resignation and Removal 10
2.6 Vacancies on Board 10
2.7 Organizational Meetings of Board 10
2.8 Regular Meetings of Board 10
2.9 Special Meetings of Board 11
2.10 Waiver of Notice 11
2.11 Determinations by Board; Quorums 11
2.12 Compensation 12
2.13 Liability of Board and Unit Owners 12
2.14 Crime Insurance/Fidelity Bonds 13
2.15 Committees 13
2.16 Status of Board 13
2.17 Incorporation and Organization of Board 13
2.18 Board as Agent of Unit Owners 13
2.19 Prohibited Transactions 13
2.20 Principal Office of Board 14
2.21 **Indemnification of Board Parties.** 14
ARTICLE 3 UNIT OWNERS 17
3.1 Annual Meetings 17
3.2 Place of Meetings 17
3.3 Special Meetings 17
3.4 Notice of Meetings and Actions Taken 17
3.5 Lack of Quorum 18
3.6 Order of Business 18
3.7 Title to Units 18
3.8 Voting 18
3.9 Majority of Unit Owners 20
3.10 Quorum 20
3.11 Majority Vote 20
3.12 Confidentiality. 20
3.13 Conflicts of Interest 20

ARTICLE 4 OFFICERS 23
4.1 Designation 23
4.2 Election of Officers 23
4.3 Resignation and Removal of Officers 24
4.4 President 24
4.5 Vice President 24
4.6 Secretary/Treasurer 24
4.7 Execution of Documents 24
4.8 Compensation of Officers 25
4.9 Liability of Officers 25

ARTICLE 5 NOTICES 25
5.1 Notices 25
5.2 Waiver of Service of Notice 26

ARTICLE 6 OPERATION OF THE CONDOMINIUM 26
6.1 Determination of Common Expenses and Fixing of Common Charges 26
6.2 Payment of Common Charges 28
6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies 29
6.4 Insurance 30
6.5 Repair or Reconstruction after Fire or Other Casualty 34
6.6 Maintenance and Repairs 35
6.7 Alterations of Units 39
6.8 Alterations to Common Elements 44
6.9 Intentionally omitted 44
6.10 Licensing and Use of Storage Bins 44
6.11 Intentionally omitted 46
6.12 Use of Common Elements; Use of Adjacent Sidewalks 46
6.13 Right of Access 47
6.14 Rules and Regulations 48
6.15 Real Estate Taxes, Water Charges and Sewer Rents 49
6.16 Electricity 50
6.17 Gas 50
6.18 Dispute as to Utilities Charges 50
6.19 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners 50

ARTICLE 7 MORTGAGES 51
7.1 Notice to Board 51
7.2 Notice to Mortgagees of Default and Unpaid Common Charges 51
7.3 Performance by Permitted Mortgagees 51
7.4 Examination of Books 51
7.5 Representatives of Mortgagees 51
7.6 Consent of Mortgagees 52

ARTICLE 8 SELLING, LEASING AND MORTGAGING OF UNITS 52
8.1 Sales and Leases of Units 52
8.2 Consent of Unit Owners to Purchase or Lease of Units by Board 55

8.3 No Severance of Ownership 56
8.4 Release by Board of Right of First Refusal 56
8.5 Certificate of Termination of Right of First Refusal 56
8.6 Financing of Purchase, or Refinancing, of Units by Board 56
8.7 Exceptions 57
8.8 Gifts, Devises and Intestate Transfers 57
8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common 57
8.10 Payment of Assessments 57
8.11 Mortgage of Units 58
8.12 Prohibition Against Advertising and Resales 58
8.13 Working Capital Fund 58
8.14 Transfer of Interests in Entities Owing Units. 58
8.15 Transfer of Units to Trusts and Other Entities. 58
8.16 Lease or Purchase of Unit or Other Apartment for Resident Manager's Residence. 58

ARTICLE 9 CONDEMNATION 59
ARTICLE 10 RECORDS AND AUDITS 59
10.1 Records 59
10.2 Audits 60
10.3 Availability of Documents 60

ARTICLE 11 ARBITRATION 60
11.1 General Procedure 60
11.2 Costs and Expenses 60
11.3 Agreement by Parties 60

ARTICLE 12 MISCELLANEOUS 61
12.1 Consents 61
12.2 Waiver 61
12.3 Captions 61
12.4 Conflict 61
12.5 Certain References 61
12.6 Severability 62
12.7 Insurance Trustee 62
12.8 Successors and Assigns 62
12.9 Covenant of Further Assurances 62
12.10 Mold 63
12.11 Indemnity. 63

ARTICLE 13 AMENDMENTS TO BY-LAWS 63
13.1 Amendments by Unit Owners 63
13.2 Amendments Affecting Sponsor or its Designee 64
13.3 Amendments Affecting Permitted Mortgagees 64
13.4 Amendments Affecting the Commercial Units 65
13.5 Deemed Approval Provision 65
13.6 Consents of Sponsor and/or the Commercial Unit Owner 65

ARTICLE 14 CERTAIN DAMAGES....66
14.1 Self Help. 66
14.2 Abatement and Enjoinment....66
14.3 Remedies Cumulative. 66
14.4 Costs and Expenses.....67
14.5 Liability for Litigation Costs. 67

BY-LAWS

OF

1165 MADISON AVENUE CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these By-Laws (the "By-Laws") is to set forth the rules and procedures concerning the conduct of the affairs of 1165 Madison Avenue Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 6,032 square feet of land (the "Land") which forms a part of Block 1497, Lots 52 and 53 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; the Condominium and these By-Laws shall be subject to the provisions of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration"), which will be recorded in the New York County office of the Register of the City of New York (the "City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, sublease or license for, or the act of occupancy of, all or any portion of a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of the Condominium. The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 General Description of the Board.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the First Annual Meeting of Unit Owners (as hereinafter defined), as provided in Section 3.1, the Board shall consist of five (5) persons.

2.1.2 Each member of the Board, except for the First Board (as hereinafter defined), as provided in Section 2.3 and except as otherwise provided herein, shall be elected at an annual meeting of the Unit Owners and shall serve until the expiration of their term in office on the third regularly scheduled annual meeting thereafter. Notwithstanding the expiration of the term of office of a member of the Board, each member shall serve until a successor for such member has been elected and qualified.

2.1.3 Except for any member designated by Sponsor or its designee or elected by the Commercial Unit Owners, all members of the Board must be: (i) individual Unit Owners or Permitted Mortgagees (as hereinafter defined) of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning or holding a Permitted Mortgage; (v) fiduciaries or beneficiaries who are Unit Owners or Permitted Mortgagees of Units (or directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members (as defined in Section 8.7) or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a Permitted Mortgagee of a Unit. Other than Board members designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon in accordance with these By-Laws.

2.1.4 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties of Board.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, (and in addition to all other powers and duties granted to the Board by law, the Declaration or these By-Laws) the Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Condominium, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of the Common Elements, in the condition and otherwise in such a manner that maintains standards of quality, service and appearance which are appropriate for a luxury condominium.

(b) The amount of Common Charges and any assessments.

(c) Collection of Common Charges and any assessments from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, on behalf of all Unit Owners, those Units offered for sale or lease by, or Units surrendered by, the owners of such Units to the Board, or those Units with respect to which liens for real estate taxes are being sold.

(g) Purchasing Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the Board's lien for unpaid Common Charges), in the name of the Board or its designee, on behalf of all Unit Owners.

(h) Selling, leasing, mortgaging, refinancing and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, on behalf of all Unit Owners; and subject to the rights of Declarant with respect to same, preparing, executing and administering Storage Licenses and assignments and assumptions thereof.

(i) The adoption and collection of rental fees related to the temporary rental to Unit Owners of amenity spaces, including the Common Terraces, in the Building.

(j) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(k) Enforcing obligations of Unit Owners.

(l) Levying fines against Unit Owners for violations of the Rules and Regulations (which fines shall constitute Common Charges payable by the Unit Owners against whom they are levied); provided, however, that no fine for any single infraction shall exceed $250, subject to biannual increases based upon the CPI Increase Factor in effect as of the date of the First Closing (but every day that an infraction continues shall be considered a separate infraction subject to fine).

(m) Maintaining bank accounts on behalf of the Condominium (with respect to

matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(n) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Article 6 hereof.

(o) Borrowing money, at any time, on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as provided in Section 8.6, the consent of at least sixty-six and two-thirds (66-2/3%) percent in common interest of all Unit Owners or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Residential Common Elements, respectively, if such borrowings are in excess of $100,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year or $250,000 (subject to increase by the CPI Increase Factor) in the aggregate (including borrowings from prior period) at any one time; and (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Common Elements, and the loan documentation in either case shall so provide. In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on a resident manager's Unit, if any, or any other Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(o) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit Owners or only the Residential Unit Owners, respectively), in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit**,** and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth in this subsection 2.2.2(o), and all other dollar amounts referenced elsewhere in these By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor.

(p) Organizing corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units acquired or leased by the Board on behalf of the Unit Owners.

(q) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or

any amendment thereto, affecting the Property or the Condominium which the Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(r) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to: (i) all Residential Units for the benefit and on behalf of the Residential Unit Owners and (ii) the Commercial Unit, for the benefit of the respective Owners thereof, but only to the extent requested and authorized to do so, in writing, by the respective Owners thereof; and provided, in each case, that all such Unit Owners indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(s) Commencing, prosecuting and settling litigation, providing, however no litigation may be commenced without the written consent of three quarters of the owners of the Units and Common Elements except to enforce the Declaration or By-Laws.

(t) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.4.

(u) Imposition, increase, decrease or elimination of move-in fees and charges, administrative fees and transfer fees and/or "flip taxes" payable to the Managing Agent and/or the Condominium, in connection with the sale or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Sponsor or its designee (or the Commercial Unit Owner) or any Units bought, sold or leased by the Board.

(v) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the Common Elements.

2.2.3 Except as otherwise provided in these By-Laws or in the Declaration, the Commercial Unit Owners shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair and replacement of its Commercial Unit.

(b) Employment and dismissal of personnel necessary for the maintenance and operation of its Commercial Unit.

(c) Leasing or granting consent with respect to the sublease of all or any portion

of its Commercial Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided, except that a Commercial Unit shall be used for any lawful purpose approved by the Board as provided in the Plan, and provided that the Unit Owner of a Commercial Unit (and any lessee, sublessee and occupant) complies with any other restrictions with respect to such Commercial Unit that the Unit Owner of the Commercial Unit agreed to with Sponsor.

(d) Making repairs, restorations, additions and improvements to, or alterations of, its Commercial Unit, provided such repairs, restorations, additions, improvements and alterations comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside such Commercial Unit (including, without limitation, any building systems outside of such Commercial Unit).

(e) Making repairs to and restoration of its Commercial Unit, or parts thereof, damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, provided such repairs and restorations comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside such Commercial Unit (including, without limitation, any building systems outside of such Commercial Unit).

(f) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only its Commercial Unit, as set forth in Section 6.4.

(g) Borrowing money when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, its Commercial Unit, or otherwise in connection with any permitted action or activity of such Commercial Unit Owner; provided, however; that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interests in the Common Elements without the consent of the owner of such other Unit, and (ii) Unit Owners other than such Commercial Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing.

(h) Execution, acknowledgement and delivery of (i) any declaration or other instrument affecting its Commercial Unit which the Commercial Unit Owner thereof deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of its Commercial Unit, or (ii) any consent, covenant, restriction, easement or declaration affecting its Commercial Unit which the Commercial Unit Owner there deems necessary or appropriate. The provisions of this subparagraph 2.2.3(h) are subject to the provisions of Article 18 the Declaration.

(i) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to its Commercial Unit.

2.2.4 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers (individually and/or collectively, the "Managing Agent"), at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager any powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) (k), (l), and (n) through (v).

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period (the "Sponsor Control Period") which shall end upon the earlier to occur of: (a) the fifth anniversary of the First Closing of title to any Unit, by the Sponsor, pursuant to an Agreement (as the terms "Sponsor" and "Agreement" are defined in the Offering Plan (as such term is defined in the Declaration); or (b) the closing of title by Sponsor to all of the Units: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund; (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Plan; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (other than the indebtedness in connection with a resident manager's Unit, if any, or unless any such borrowing is approved by the owners of Units representing at least seventy-five percent (75%) both in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal to lease or purchase a Residential Unit. However, the Board may perform any function or take any actions enumerated in subsections (i) through (v) hereinabove, without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Residential Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner.

2.3 Number and Terms of Office of Members of the Board.

2.3.1 Until the First Annual Meeting held by the Unit Owners pursuant to the terms of Section 3.1 hereof, the Board (the "First Board") shall consist of three (3) persons designated by Sponsor from time to time. Prior to the First Annual Meeting, the terms of each member of the First Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. In accordance with the provisions of and within the time periods set forth in Section 3.1, the First Board shall cause the President of the Condominium to call the First Annual Meeting of Unit Owners. The term of office of the three (3) members of the First Board so designated by Sponsor shall expire when the five (5) members to be elected and/or designated at the First Annual Meeting are so elected or designated, as the case may be, and qualified.

2.3.2 From and after the First Annual Meeting, the Board shall consist of five (5) persons: (i) four (4) members elected by the Unit Owners (including Sponsor), subject to subsection 2.4.3 below, and (ii) one (1) member designated by the Commercial Unit Owners. The Commercial Unit Owners shall at all times have the right to designate such one (1) Board member as aforesaid. For so long as Sponsor is entitled to designate one Member, as provided for in subsection 2.4.3 hereof, the Board may not be expanded beyond five (5) members without the prior consent of Sponsor.

2.3.3 The term of office of each of the five (5) members comprising the Board will usually be three (3) years, except that the terms of office with respect to the first four (4) members representing the Residential Unit Owners (including Sponsor) shall be fixed at the First Annual Meeting as follows: (a) two (2) of such members will serve for a term of approximately three (3) years; (b) one (1) of such members will serve for a term of approximately two years; and (c) one (1) of such members will serve for a term of approximately one year. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve for a term of three (3) years. Commencing with the first Board and at all times thereafter, the member of the Board representing the Commercial Unit Owners shall serve for a term of three (3) years, subject to removal and resignation as set forth herein. The Members of the first Board representing the Residential Unit Owners (including Sponsor) elected at the First Annual Meeting who receive the highest number of votes will serve for the longest terms; but except as set forth in subsection 2.4.4 hereof, any members designated by Sponsor or its designee pursuant to the terms of subsection 2.4.3, will serve for the shortest terms. At each annual meeting of Unit Owners subsequent to the First Annual Meeting, the Unit Owners shall elect, subject to subsection 2.4.3 below, as the case may be, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at three (3) years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by Sponsor, or its designee, or the Commercial Unit Owners) may serve until his or her successor shall be elected and qualified.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsections 2.4.2, 2.4.3 and 2.4.4, all four (4) Members of the Board representing the Residential Unit Owners, to be elected by the Residential Unit Owners, shall be determined by plurality of the votes cast by the applicable Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee owns at least one Unit) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present or not required. The Commercial Unit Owners shall at all times have the right to designate such one (1) Board member.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws or otherwise to the contrary, at the First Annual Meeting and at all times theretofore and thereafter, Sponsor and/or its designee and/or any owner of Unsold Residential Units shall be able to vote in accordance with its/their ownership of Units and thus may be able to elect members of the Board by virtue of its/their ownership of Units, which may be in addition to any members of the Board designated by Sponsor in the capacity of Sponsor or as owner of a Commercial Unit. In addition, at elections of members to the Board held after the expiration of the Sponsor Control Period but while Sponsor and/or its designee still owns at least one Unit, Sponsor and/or its designee shall have the right to designate one (1) member of the Board (in addition to any member designated by Sponsor as a Commercial Unit Owner, if applicable), who may be related to or affiliated with Sponsor, such designee or other Unsold Residential Unit Owner; and Sponsor, such designee and all other Unit Owners shall have the right to elect (or in the case of the Commercial Unit Owners, to designate) the remaining members of the Board. In addition, at elections of members of the Board held at and after the First Annual Meeting, but before the expiration of the Sponsor Control Period, the composition of the Board shall be as follows: (i) Sponsor and/or it designees shall have the right to designate three (3) members of the Board, which designees may be related to or affiliate with Sponsor, Sponsor's designees or other Unsold Residential Unit Owner(s); (ii) Sponsor and/or its designees and all other Residential Unit Owners shall have the right to elect one (1) member of the Board; and (iii) the Commercial Unit Owners (even if Sponsor or its designee owns such Unit) shall have the right to designate the fifth and final member of the Board

There is no restriction on the right of Sponsor and its designee(s) or any Unsold Residential Unit Owner to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or Unsold Residential Unit Owner; however, after the expiration of the Sponsor Control Period, neither Sponsor nor its designee will designate a majority of the Members.

2.4.4 In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these By-Laws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining Members of the Board shall fill any resulting vacancies

at a special meeting of the Board held for that purpose promptly thereafter, even though the members of the Board present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the term.

2.5 Resignation and Removal.

2.5.1 Any member of the Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any Member who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the terms of Sections 2.4 or 2.6, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in the previous sentence, whether with or without cause, Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

2.6 Vacancies on Board. Subject to the provisions of Sections 2.3, 2.4 and 2.5, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee, as the case may be).

2.7 Organizational Meetings of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ninety (90) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the Members thereof, and no notice shall be necessary to the Board Members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority

of the members thereof, provided that at least two (2) such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier, electronic mail or facsimile, at least five (5) business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving at least five (5) business days' prior written notice to each member of the Board, by personal delivery, nationally recognized overnight courier, electronic mail or facsimile, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of two (2) or more members of the Board.

2.10 Waiver of Notice. Any member of the Board may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsections 2.4.4., 2.6 and 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum exists or may reconvene the meeting to a time (specified on at least three (3) business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.11.4 The Board member designated by the Commercial Unit Owners shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and/or Residential Section of the Building. The presence of the member of the Board designated by the Commercial Unit Owners shall not be required at any meetings pertaining solely to matters which do not affect such Unit Owners(s), and a majority of the members other than the representative of the non-affected Unit Owners shall constitute a quorum

for purposes of such meetings, and the votes of a majority of such members at a meeting at which a quorum is present shall constitute the decision of the Board.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Managing Agent, building engineer or superintendent in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent only as agent for all Unit Owners, and that the Board members or the Managing Agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the Managing Agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

2.13.2 Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such Board member's own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.3 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the

acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof.

2.14 Crime Insurance/Fidelity Bonds. All officers, Board members and employees of the Building will be covered by crime insurance or fidelity bonds (or similar insurance or bonds) at all times from and after the First Closing, and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers designated to it by the Board during the intervals between the meetings of the Board insofar as may be permitted by law. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one (1) of its members a member of the Board appointed by Sponsor.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation or organization of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so organizes or incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws; and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or

principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

2.20 Principal Office of Board. The principal office of the Board shall be located either within the Property or at such other place in the Borough of Manhattan, as may be designated from time to time by the Board.

2.21 **Indemnification of Board Parties.**

2.21.1 Business Corporation Law. The indemnification provisions of the New York Business Corporation Law ("BCL") for corporate directors and officers shall apply respectively to the members of the board (each, a "Board Member", collectively, the "Board Members") and officers of the Condominium to the same effect as though the Condominium were a corporation and the Board Members and officers of the Condominium were respectively a board of directors and officers of such corporation.

2.21.2 Indemnity. The Board on behalf and as agent of the Unit Owners shall indemnify to the fullest extent provided in the BCL, the Board Members and officers of the Condominium, made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Board or any corporation of any type or kind, or any partnership, limited liability partnership, limited liability company (a "Claim"), joint venture, trust, employee benefit plan or other enterprise, whether domestic or foreign (each an "Enterprise"), which such Board Member or officer or other person on behalf of the Board heretofore or hereafter served in any capacity at the request of the Board, by reason of the fact that such person, whether testate or intestate, was a Board Member or officer, or served such other Enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees and disbursements actually and necessarily incurred as a result of the threat of, the commencement of and/or the continuation of such action or proceeding, or any appeal therein, if such Board Member or officer acted, in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium and, in criminal proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

2.21.3 No Presumption. The termination of any such civil or criminal proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Board Member or officer did not act in good faith, for a purpose which such person reasonably believed to be in, or, in the case of service for any such Enterprise, not opposed to, the best interests of the Board and the Condominium or that such person had reasonable cause to believe that his or her conduct was unlawful.

2.21.4 Expenses. Expenses incurred in defending a civil or criminal action or proceeding by a Board Member, officer or other person to be indemnified under this Article shall be paid by the Board on behalf and as agent of the Unit Owners in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such Board Member, officer or other person to repay such amounts as, and to the extent, required by BCL Section 725(a). The indemnification provided by the preceding Section 2.13.2 shall not be deemed exclusive of any other rights to which a Board Member or officer seeking indemnification or advancement of expenses may be entitled, whether contained in this Declaration or the By-Laws, or a resolution of Unit Owners, a resolution of disinterested Board Members, or an agreement providing for such indemnification or under any statute, provided that no indemnification may be made to or on behalf of any Board Member or officer if a judgment or other final adjudication adverse to the Board Member or officer establishes that such Board Member's or officer's acts were committed in bad faith or were the result of active and deliberate dishonesty or willful misconduct and were material to the cause of action so adjudicated, or that such Board Member or officer thereby personally gained a financial profit or other advantage to which he or she was not legally entitled.

2.21.5 Other Person. A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in BCL Section 722 shall be entitled to indemnification as authorized by such section.

2.21.6 Specific Case. Except as provided in BCL Section 723(a), any indemnification under BCL Section 721, unless ordered by a court under BCL Section 724, shall be made by the Board on behalf and as agent of the Unit Owners, only if authorized in the specific case set forth in BCL Section 723(b).

2.21.7 Standard of Conduct. Any determination as to whether a person has met an applicable standard of conduct shall be made in accordance with the provisions of BCL Section 723.

2.21.8 Employees Agents and Committee Members. The Board on behalf and as agent of the Unit Owners may, to the extent authorized from time to time by resolution of a majority of the Board Members, provide indemnification to employees or agents of the Board or members of committees appointed by the Board, with such scope and effect as determined by said majority of the Board Members, but in no event shall such indemnification be greater than would be available to such individual under this Declaration or the By-Laws, if such individual were a Board Member.

2.21.9 Remedies. If a Claim for indemnification under this Article is not paid in full by the Board within thirty (30) days after a written Claim has been received by the Board, the claimant may at any time thereafter bring suit against the Board to recover the unpaid amount of

the Claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the reasonable expense of prosecuting such Claim. It shall be a defense to any such action (other than action brought to enforce a Claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Board) that the claimant has not met the standards of conduct prescribed hereunder, but the burden of proving such defense shall be on the Board. Neither the failure of the Condominium Board (including its independent legal counsel or the Unit Owners) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper under the circumstances because he or she has met the applicable standard of conduct set forth herein or in the BCL, nor an actual determination by the Board (including its independent legal counsel or the Unit Owners) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

2.21.10Insurance. The Board on behalf and as agent of the Unit Owners shall have the power to purchase and maintain insurance to indemnify: (a) the Condominium Board for any obligation which it incurs as a result of the indemnification of Board Members and officers under the provisions of this Article; (b) the Board Members and officers in instances in which they may be indemnified by the Board under the provisions of this Article; (c) the Condominium Board for any obligation which the Board incurs on behalf and as agent of the Unit Owners; and (d) Board Members and officers under any indemnification provided in this Declaration or the By-Laws, a resolution of Unit Owners, a resolution of the Board, or any agreement.

2.21.11 Interpretation. The intent of the foregoing indemnification· provisions in this Article is both to provide and to expand upon the indemnification provided by the BCL, as the BCL may from time to time be amended, so as to maintain and continue to attract persons of high quality to serve on the Board as Board Members, officers or in similar capacities.

2.21.12 Notice of Claim or Lawsuit. Promptly after being notified of a Claim or served in a lawsuit for which indemnity is sought (a "Lawsuit"), the indemnified party shall give notice thereof to the Board.

2.21.13 Control of Defense. The Board on behalf and as agent of the Unit Owners, as a Common Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit, provided the indemnified party shall not be adversely affected by the proposed compromise or settlement and shall be fully and unconditionally released and discharged in writing from all liabilities and expenses with respect to such Claim by all claimants or with respect to such Lawsuit by all plaintiffs or petitioners or counter-claimants or cross-claimants (such release and discharge to be in form and content as shall be reasonably approved by the indemnified party); and (b) to choose the attorneys, who shall be reasonably satisfactory to the indemnified party.

2.21.14 Cooperation. The indemnified party shall cooperate fully and make available to the Condominium Board such information and documents under the control or in the possession of the indemnified party as are reasonably related to the defense of the Claim or Lawsuit.

2.21.15 Participation. The indemnified party shall have the right, but not the obligation, at such indemnified party's sole cost and expense, to participate and be represented by separate counsel (chosen by the indemnified party) in the defense, compromise and settlement of the Claim or Lawsuit.

2.21.16 Virtual Meetings. At the discretion of the Board of Directors, all Shareholders meetings and Directors meetings can be held virtually and participation in the virtual meeting shall be considered presence at the meeting.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners (the "First Annual Meeting") shall be held approximately 30 days following the earlier to occur of: (a) the third anniversary of the First Closing; or (b) the closing of title by Sponsor (or its designee), as seller, to Units representing more than 50%, both in number and in aggregate Common Interests of all Units, to Purchasers (as defined in the Offering Plan). At such meeting, a new Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) consisting of five (5) persons and the incumbent Board shall resign. Thereafter, annual meetings of Unit Owners shall be held within approximately four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners (including Sponsor) shall elect, or designate, as the case may be, successors to the members of the Board whose terms of office are due to expire on or about the day of such meeting or have already expired and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning Units representing not less than 50% of the Common Interests of all of the Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat, at their address at the Condominium (or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least fifteen (15) business days prior to the giving of notice of the applicable meeting). Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least 10 business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners in

the manner provided above, at least thirty (30) days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.4.4, if any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting at a time (specified on not less than three (3) business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Call to order.

(b) Roll call.

(c) Proof of notice of meeting.

(d) Reading of minutes of preceding meeting.

(e) Reports of officers.

(f) Reports of members of the Board.

(g) Reports of committees.

(h) Election of inspectors of election (when so required).

(i) Election of members of the Board.

(j) Unfinished business.

(k) New business.

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a

signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to such Secretary by the Unit Owner who had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six (6) months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked).A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.2 If two (2) or more persons or entities own a Unit, they shall designate one (1) person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.4 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Residential Units) shall be entitled to cast one (1) vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected.

3.8.5 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a percentage of a particular class of Unit Owners, as a group (e.g. x% of all Residential Unit Owners or x% of all Commercial Unit Owners), as opposed to a percentage of all Unit Owners, such required percentage shall mean a percentage in terms of the total Common Interests attributable to the particular class of Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.8.6 In advance of or at any meeting of Unit Owners, the Board may appoint any person, other than nominees for election to the Board or their relatives or employees or existing Board Members, as "Inspectors of Election" to act as such at the meeting or any adjournment. Any such appointments may be altered at the meeting. If Inspectors of Election are not so appointed, the President may, or on the request of not fewer than ten percent (10%) of the votes represented at the meeting, shall make such appointment at the meeting. In case any person appointed as an Inspector of Election fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board in advance of the meeting or at the meeting by the President. Unless otherwise prescribed, the duties of such Inspectors of Election shall include: verifying the number of common interests, the Units represented at the meeting, the existence of a quorum, and the authenticity, validity and number of proxies, receiving votes, ballots, hearing and determining all

challenges and questions in any way arising in connection with the rights to vote; counting and tabulating all votes or consents; determining the result; and such act as may be proper to conduct the election or vote with fairness to all Unit Owners.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which more than fifty percent (50%) of the aggregate Common Interests attributable to all Units are appurtenant, shall constitute a quorum at all meetings of Unit Owners.

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.12 Confidentiality. Information disclosed to Board Members should be kept in confidence and not disclosed under any circumstance until a decision is made by the Board to make the information public. Once determined, decisions of the Board are to be presented in their final form, and any discussions leading up to such decisions are confidential. Board Members should never disclose how other Board Members voted.

3.13 Conflicts of Interest.

3.13.1 Duties of Board Members and Officers

(a) The Board Members and Officers of the Condominium owe a duty of loyalty to the Condominium which requires that in serving the Condominium they act, not in their personal interests or in the interests of others, but rather solely in the interests of the Condominium. Board Members and Officers must have an undivided allegiance to the Condominium and may not use their position as Board Members or Officers, information they have about the Condominium, or the Condominium's property, in a manner that allows them to secure a pecuniary or other material benefit for themselves or their relatives. Accordingly, no Board Member or Officer may use his or her position at the Condominium for personal gain or to benefit another at the expense of the Condominium, its mission, or its reputation.

(b) Every Board Member and Officer must discharge his or her duties in good faith, with the degree of care that an ordinarily prudent person in a like position would exercise under similar circumstances. No Board Member or Officer may take personal advantage of a business opportunity that is offered to the Condominium unless the Condominium Board first determines not to pursue such opportunity.

(c) Each Board Member or Officer must protect the confidential information of the Condominium and must not use confidential information of the Condominium for his or her personal benefit, or use such confidential information or his or her position as a Board

Member or Officer to the detriment of the Condominium. Confidential information is information obtained through the Board Member's or Officer's position that has not become public information.

3.13.2 Direct or Indirect Financial or Other Material Interest

(a) Contracts, transactions, or arrangements (a "Transaction") of the Condominium in which a Board Member or Officer has a direct or indirect financial or other material interest (an "Interest") shall not be prohibited, but they shall be subject to scrutiny. Any such proposed Transaction is to be reviewed to determine that it is in the best interests of the Condominium.

(b) For the purposes of this Policy, a Board Member or Officer an Interest in a proposed or existing contract, transaction or arrangement if he or she, or one of his or her relatives: (a) has interest directly in the proposed or existing contract, transaction or arrangement; or (b) holds a position as trustee, Board Member, officer, member, partner, or employee in any such party.

(c) A Board Member's or Officer's Interest will be considered substantial if it involves: (a) an ownership or investment interest representing more than 1% of the outstanding shares of a publicly traded company or 5% of the outstanding shares or comparable interest of a privately owned company with which the Condominium has or is negotiating a Transaction or that is an involved Condominium with respect to the Transaction; or (b) an ownership or investment interest, which produces a income for or constitutes a part of the net worth of the Board Member or Officer, or a relative of the Board Member or Officer, in any entity with which the Condominium has or is negotiating a contract, transaction, or arrangement or that is an involved Condominium with respect to the Transaction; or (c) a compensation arrangement of any kind with any entity or individual with which the Condominium has or is negotiating a Transaction, or with any involved Condominium with respect to the contract, transaction, or arrangement.

3.13.3 Disclosure of Interest and Participation in Meeting

(a) Each Board Member and each Officer of the Condominium shall promptly disclose in writing to the President with a copy to each member of the Board any Interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium prior to the start of any negotiations with respect to such matter. Such disclosure shall include all material facts and supply any reasons why the Transaction might be or not be in the best interest of the Condominium. The President shall refer the issue to the full Board or Board Committee having decision-making authority over the substantive matter in question (the "Board or Committee").

(b) The Board Member or Officer who discloses an Interest in a Transaction may make a presentation and respond to questions by the Board or Committee, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the Transaction that results in the conflict of interest. As part of any such presentation, the Board Member or Officer shall provide to the Board or Committee any reasons why the Transaction might be or not be in the best interest of the Condominium. The Board or Committee shall

determine whether the Condominium can obtain a more advantageous Transaction with reasonable efforts from a person or entity that would not give rise to a conflict of interest. The Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed contract, transaction, or arrangement. If a more advantageous Transaction is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by majority vote of the disinterested members of the Board or Committee whether the Transaction is in the Condominium's best interest and whether it is fair and reasonable to the Condominium and shall make its decision as to whether to enter into the Transaction in conformity with such determination.

(c) The existence of a quorum shall not be broken by the non-participation of a Board Member or Officer who has disclosed a direct or indirect financial or other material interest in any substantive matter.

(d) The names of the Board Members and Officers who disclosed or otherwise were found to have a direct or indirect Interest in a proposed or existing Transaction of the Condominium, the nature of the Interest, and the extent of the Board Member's or Officer's participation in the relevant Board or Committee meeting on matters related to the financial or other material interest shall be recorded in the minutes for that meeting. The minutes also shall include a record of any determination as to whether the Transaction was in the best interest of and fair and reasonable to the Condominium. The names of the persons who were present for discussions and votes relating to the proposed or existing Transaction, the content of the discussion, and a record of any votes taken in connection therewith.

(e) *Co-Investment Interest*. Each Board Member and each Officer of the Condominium also shall disclose whether he or she, or one of his or her relatives, has personal funds invested with an investment manager providing, or expected to provide, investment management services to the Condominium or in a professionally managed investment fund in which the Condominium is invested or is considering investing.

(f) *Failure to Disclose*. If the Board or Committee has reasonable cause to believe that a Board Member or Officer has failed to disclose a direct or indirect financial or other material Interest, it shall inform the Board Member or Officer of the basis for such belief and afford the Board Member or Officer an opportunity to explain the alleged failure to disclose.

(g) *Managing Agent and Employees Covered by Policy*. This Policy shall also apply to the Condominium's Managing Agent and employees of the Condominium.

(h) *Business Corporation Law § 713*. Every calendar year prior to December 31st, every Director shall receive a copy of the then current version of BCL§713.

(i) *Annual Disclosure Statement*. Promptly following the adoption of this Policy, and thereafter, on an annual basis, not later than the fifth day of January of the following year, each Board Member and Officer shall acknowledge his or her familiarity with this Policy, will confirm the receipt of BCL§713 and shall disclose in writing to the Board any existing financial or other material Interests subject to this Policy by completing a Conflict Of Interest Disclosure Statement. The Conflict Of Interest Disclosure Statements shall be retained in the

confidential files of the Board.

3.13.4 Conflict Of Interest Disclosure Statement

The Conflict of Interest Policy of the Condominium requires any Board Member or Officer of the Condominium to disclose any direct or indirect financial or other material interest or co-investment interest which he or she has or reasonably expects to have in any proposed or existing Transaction with the Condominium, or in any other matter under consideration or to be considered by the Condominium Board, or any Board committee.

Please initial each statement that applies to you:

___ I have read and am familiar with the Conflict of Interest Policy.

___ I am not aware of any direct or indirect financial or other material interest or co-investment interest which is required to be disclosed under the Conflict of Interest Policy.

___ I have a direct or indirect financial or other material interest or co-investment interest which is required to be disclosed under the Conflict of Interest Policy. Such interest is described in the attached letter. (Please attach a letter providing complete details of any direct or indirect financial or other material interest or co-investment interest subject to the Policy.)

During the time I am a Board Member or Officer of the Condominium, I agree to report promptly any future situation that might involve or appear to involve me or any of my relatives in any potential conflict of interest with the Condominium.

Signature: _____ Date: _____

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, and Secretary/Treasurer thereof, all of whom shall be elected by the Board. The Board may elect more than one (1) Vice President, or an Assistant Treasurer, or Assistant Secretary and such additional officers as in its judgment may be desirable. Unless prohibited by applicable law, any two (2) or more offices of the Condominium may be held by the same person. None of the officers of the Condominium need be Unit Owners or have any interest therein until the first organizational meeting of the Board, which shall be held within 90 days after the First Annual Meeting. Thereafter, the President of the Condominium must be a member of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the First Board and shall hold office at the pleasure of such First Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the Board; such resignation shall take effect at the time specified and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by these By-Laws with respect to designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.11.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium. From and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be a member of the Board.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary/Treasurer. The Secretary/Treasurer of the Condominium shall keep the minutes of the meetings of the Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. In addition, the Secretary/Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by such Board and shall, in general, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. In addition to the foregoing, the Board may authorize the managing agent serving on its behalf to execute checks, provided that the expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the Board or have been authorized by

two (2) officers of the Condominium.

4.8 Compensation of Officers. Except as otherwise determined by the Board, no officer shall receive any compensation for acting as such.

4.9 Liability of Officers.

4.9.1 To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

4.9.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer 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 such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of such officer.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise provided in these By-Laws: (a) all notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person (only in the case of a notice to any officer of the Board) or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the principal office of the Board (or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees) and a duplicate shall be sent in like manner to the Managing Agent; (b) all notices required or desired to be given hereunder to any Unit Owner shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the address of such Unit Owner at the Property or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board; and (c) all notices required or desired to be given hereunder to Permitted Mortgagees shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to their respective addresses, as may have been designated by such Permitted Mortgagees from time to time in writing to the Board. All notices shall be deemed to have been

given when delivered in person (to the extent permitted herein) or three (3) days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper, or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Board shall, from time to time, but at least annually, prepare or cause to be prepared a budget setting forth its projections of the costs and expenses associated with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the Common Elements, the provision of services to Unit Owners and the business and affairs of the Condominium (the "Common Expenses") for the next fiscal year and will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively, the "Common Charges") on the Residential Units and the Commercial Units. Residential Unit Owners will be assessed Common Charges to meet the Residential Units' allocated share of Common Expenses and the Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Unit Owners will be assessed Common Charges to meet the share of only those Common Expenses allocated to the Commercial Units by the Board. The Commercial Unit Owners will be obligated to pay its share of the expenses that are incurred by the Condominium Board in furnishing services, and operating, maintaining and repairing Common Elements, only to the extent the same are utilized by or benefit Commercial Unit Owners, and, accordingly, the Commercial Unit Owners' share of Common Expenses will be limited to a share of only certain components of the Common Expenses. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

6.1.2 The Board may, in 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. However, a prior period's deficit may be included in Common Charges for a subsequent period or levied from a special assessment levied against all Unit Owners or Residential Unit Owners, as the case may be.

6.1.3 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.4 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2). All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners or all Commercial Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.5 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Residential Common Elements or Residential Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Common Elements or Residential Limited Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among (a) the Residential Units and (b) the Commercial Units, as set forth in the footnotes to Schedule B in the Plan. The Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Residential Units, except as may otherwise be set forth in the Declaration or By-Laws. The Commercial Unit Owners will be assessed Common Charges to meet the share of only those Common Expenses allocated to its Unit as provided in Section 6.1.1 above. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law. The allocations of Common Expenses between the Residential Units and the Commercial Units set forth in Schedule B and the footnotes thereto in the Plan are deemed presumptive evidence of reasonableness. The Board may not modify these allocations without the consent of the Commercial Unit Owners.

6.2 Payment of Common Charges.

6.2.1 All Unit Owners shall be obligated to pay to the Board Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest, except as expressly provided herein. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring title to a Unit at a foreclosure sale shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by such mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.1 hereof. However, in the event of a foreclosure of a Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale, as provided in these By-Laws.

6.2.3 Notwithstanding the provisions of subsection 6.2.1, any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the 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 as to which Unit Owner is in default.

6.2.4 Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges for a period of time prior to full occupancy of

the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building and not on estimates set forth in Schedule B – Projected Budget for First Year of Condominium Operation." The Schedule B budget will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances, the Unit Owners will remain responsible for (i) the payment of real estate taxes (including such Unit Owners' allocable share of those real estate taxes attributable to a resident manager's Unit, if any); and (ii) any utility costs metered or submetered, as well as any other expenses customarily attributable to Unit Owners. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior notice to Unit Owners terminate the Waiver Period.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner. Such lien for Common Charges shall be subordinate only to liens for real estate taxes and to prior recorded Permitted Mortgages, which are first mortgages of record.

6.3.2 In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than 10 days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); and (b) interest at the rate of one and one-quarter percent (1.25%) per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (exclusive of any "late charges" theretofore assessed on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien because of unpaid Common Charges, the defaulting Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner; and the lien for unpaid Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.3 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Unit Owners, shall have the power (but shall not be obligated) to purchase any 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 interests appurtenant thereto). In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit, as provided in these By-Laws.

6.3.4 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

(d) Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

6.4 Insurance.

6.4.1 The Board shall be required to obtain and maintain, to the extent obtainable at commercially reasonable rates, and to the extent determined by the Board to be appropriate, the following insurance:

(a) All risk property insurance with common coverage extensions insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, improvements, appliances within a Unit or other personal property located within a Unit but not

constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the 100% replacement cost value of the Building (exclusive of foundation and footings), without deduction for depreciation. Such insurance shall include coverage for plate glass to the extent if any determined by the Board, as well as flood (including sewer backup) and earth movement coverage (which may contain a sublimit per occurrence and in the annual aggregate). Such insurance policy shall not include a co-insurance provision;

(b) Boiler and machinery insurance on a replacement cost basis with limits of not less than Building Limit for all mechanical and electrical equipment against physical damage and rent loss, covering the interests of the Condominium, the Board, Unit Owners and Permitted Mortgagees, as their respective interests may appear. Such insurance policy shall not include a co-insurance provision;

(c) Commercial general liability insurance against claims for personal injury, death or property damage as well as owned, hired and non-owned automobile liability occurring upon, in or about the Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, and including products and completed operations liability coverage all covering: (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit or within or about the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $1,000,000 with respect to any occurrence and $2,000,000 annual aggregate for this location, with umbrella liability coverage of at least $25,000,000 and at no time and in no event during this time period shall such general liability insurance afford protection to the limit of less than such amounts;

(d) Workers' compensation and New York State disability benefits insurance as required by applicable law; provided, however, that if the Board does not have any direct employees, such insurance may be purchased if the Board so determines on an "if any" basis;

(e) Crime or fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the foregoing with limits of not less than $250,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building;

(f) Directors' and officers' liability coverage with limits of not less than $1,000,000 and with such deductible as is commercially reasonable and maintained by owners of properties similar in type, location and quality as the Building;

(g) Terrorism coverage; and

(h) Such other insurance as the Board may determine advisable or necessary

from time to time. The Board shall review the insurance being carried and limits thereof at least once each year.

6.4.2 Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee, as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests. In the event that assessing insurance premiums on the basis of Common Interests does not substantially reflect the premium charges for actual coverage for any of the Residential Units or the Commercial Unit, and the Board fails to agree on a manner to accurately allocate the premiums, the matter shall be determined by Arbitration.

6.4.3 To the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party, to the extent of their respective interests, and contain waivers of subrogation and waivers of any defense based on (i) coinsurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including the Board, all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained at least ten (10) days prior to the expiration of the then current policies.

6.4.4 All such policies shall provide that adjustment of loss shall be made by the Board unless the loss involves solely the Commercial Unit, in which event adjustment shall be made by the Commercial Unit Owner. Insurance proceeds with respect to any loss shall be payable to the Board or Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.7. Any dispute between the Board and the Commercial Unit Owner under this subsection 6.4.4 shall be determined by Arbitration.

6.4.5 The amount of fire insurance and all risk property insurance with common coverage extensions to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property.

6.4.6 All policies of physical damage insurance shall provide that such policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of

payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing.

6.4.7 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines, taking into account market conditions and/or any such conditions that may be required by the holder of a mortgage covering the Building.

6.4.8 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.4.9 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences within or about a Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain insurance covering personal property and other property and improvements in such Unit, as well as commercial general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $4,000,000 umbrella liability coverage which shall be issued by an insurance company qualified to do business in the State of New York and approved by the Board, acting reasonably; and the Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Board. The liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

6.4.10 All insurance policies required or permitted to be maintained by Unit Owners hereunder shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and further provide that the liability of the carriers issuing insurance obtained by the Unit Owner shall not be affected or diminished by reason of any additional insurance carried by any Unit Owner or the Board. Further, as a result of current fluctuations in the insurance market, the Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Board at least ten (10) days prior to the expiration of such policy.

6.4.11 If the fire and casualty insurance for the Building is increased because all or part of the Commercial Unit is or ever becomes used as a restaurant, then the Unit Owner of all or the part of the Commercial Unit so used shall pay such increased cost to the Board upon demand

therefor by the Board.

6.4.12 Any insurance coverage(s) required to be obtained by the Board may be satisfied by any so-called builder's risk policy obtained by Sponsor in connection with the construction of the Building, provided the limits and terms of such policy are adequate to meet the terms and conditions set forth in this Article 6. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

6.4.13 Until payment of the debt under the mortgage securing Sponsor's Construction Loan (the "Construction Mortgage") is made in full or until such mortgage is assigned by Construction Lender to Sponsor's designee, whichever occurs first, the Board must comply with the obligations the Construction Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period). For so long as Sponsor's Construction Loan is outstanding, Sponsor's Construction Lender shall have the right to serve as Insurance Trustee.

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and seventy-five (75%) or more of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, improvements, betterments, equipment, furniture, furnishings within a Unit, or other personal property located in any such Unit) and the Board or the Insurance Trustee (as defined in Section 12.7 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If only the Commercial Unit is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owner will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be, in proportion to its respective Common Interests. Similarly, if only the Residential Units, Residential Common Elements and/or the Residential Limited Common Elements are 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 borne or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Residential Units and the Commercial Unit, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.5.1 shall be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and if seventy-five (75%) or more of all Unit Owners do not duly resolve within sixty

(60) days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building (or so much thereof as remains) will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were 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: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Retail) pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

6.5.3 As used in this Section 6.5, the words "promptly resolve" shall mean not more than 60 days after the date of the damage of destruction in question occurs.

6.5.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances (i) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Owner of such Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold Residential Units or in the Commercial Unit, the Unit Owner thereof will utilize only such contractors, workers or suppliers as are approved by the Managing Agent or Board; (ii) in or to the General Common Elements will be made by the Board and the expense thereof will be charged to the Unit Owners as a Common Expense, or (iii) in or to the Residential Common Elements (unless caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost) shall be made by the Board, and the cost and expense thereof shall be charged to all Residential Unit Owners in proportion to their respective Common Interests; provided, however, that (1) a Residential Unit Owner having use of a Terrace/Residential Limited Common Element shall be responsible for ordinary maintenance and cleaning thereof including replacement of the Terrace surface; and (2) the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace, including work necessary to repair any leaks (unless caused by or attributable to the Unit Owner thereof), shall be charged to all Residential Unit Owners as a Common Expense; (b) a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Residential Limited Common Elements included in or appurtenant to any such Unit), except to the extent otherwise provided herein; and (c) each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity

of the Building), in each case, by the Unit Owner or the Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating, ventilation and air conditioning units in their respective Units.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, any Unit) is necessitated by or attributable to the negligence, misuse, neglect or abuse of (i) any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner, or (ii) the Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) Except as may otherwise be expressly provided herein, no Residential Unit Owner may install, inscribe or expose any signage on or at any window or any other part of the Common Elements. Notwithstanding the foregoing, (i) there are no restrictions on the ability of the Commercial Unit Owner to place any signs inside the Commercial Unit, provided such signs comply with all applicable Legal Requirements and do not significantly and adversely affect all or any portion of the Building outside the Commercial Unit and (ii) the Commercial Unit Owner will be permitted, without the consent of the Board, to place signs on the exterior of the Commercial Unit and/or adjacent to the entry area to the Retail. Additionally, notwithstanding the foregoing, Sponsor and any holder of Unsold Residential Units and the Board shall have an easement to erect, maintain, repair and replace signs, notices, advertisements and illuminations on portions of the Property, including, without limitation, on the exterior of the Building, on or at windows and in interior public spaces of the Building (but in no event within the interior of or on the exterior of the Unit owned by any other party), for the purposes of advertising the availability of Units for sale or lease by Sponsor or its designee and/or, in the case of the Board, for any other valid business purpose.

(c) The Building does not feature a window washing rig. The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of two times per calendar year. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration which would void any warranty covering the building's windows.

(d) In the event that, under applicable Legal Requirements, any exterior windows in the Residential Units must be reduced in size or closed, the owner of the affected Unit shall solely bear the costs relating to such reduction or closure and, in the event that closure is required, such windows will be enclosed by the Board, at the sole cost of the affected Residential Unit Owner.

(e) Except as otherwise provided in Section 6.6.1, all normal maintenance, repairs and replacements of any Residential Limited Common Element appurtenant to a Unit shall be made by the Unit Owner having exclusive access thereto, at its own cost and expense; any structural or extraordinary repairs or replacements thereto (including, without limitation, leaks) shall be made by the Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense, unless due to the negligence, misuse, neglect or abuse of such Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Unit Owner shall bear the entire cost thereof, and the same shall, for all purposes hereunder, constitute part of the Common Charges payable by such Unit Owner. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

(f) Except as otherwise provided in Section 6.6.1, in the event that any portion of the glass of a Residential Unit's window is broken from the interior of such Unit (or otherwise due to the actions of such Unit Owner), the replacement and/or repair of such glass will be made by the Owner of such Residential Unit at his, her or its expense; and, in the event that any portion of the glass of a Residential Unit's window is broken from the outside of such Unit, the replacement and/or repair of such glass will be made by the Board and the expense thereof will be charged to the Residential Unit Owners as a Common Expense. Any replacement of glass windows in a Commercial Unit, because of breakage or otherwise, shall be promptly performed by such Commercial Unit Owner at its sole cost and expense (except to the extent the need to replace same results from the negligence, misuse or abuse of another Unit Owner or the Board.)

(g) Intentionally omitted.

(h) Notwithstanding that all HVAC equipment located within a Residential Unit, including without limitation the HVAC equipment located in the ceiling above certain closets, condenser unit equipment on the floor of certain closets and other areas in Residential Units constitute part of such Residential Unit, for the proper operation and maintenance of the Building's HVAC systems, the Board shall enter into a maintenance contract on behalf of all Residential Unit Owners to service each Residential Unit's HVAC equipment. Each Residential Unit Owner shall periodically be required to provide access to their Unit and its HVAC equipment to permit routine inspection, testing, and maintenance, as well as any repairs and replacements. The cost for the maintenance service contract shall constitute a Residential Common Expense included in each Residential Unit Owner's Common Charges, except that in the event of the cost of any extraordinary maintenance and/or repairs, i.e., any maintenance and/or repairs not included in the cost of the such elevator maintenance agreement or not otherwise covered by such agreement) shall be paid by the Board and assessed as a special assessment against the Owner of the Residential Unit exclusively served by the HVAC equipment requiring such repair and/or maintenance.

6.6.3 Each Unit and all portions of the Common Elements shall be kept in the condition and otherwise in such manner that standards of quality and appearance are maintained which are appropriate for a luxury residential condominium project (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 Board, whichever is responsible for the maintenance thereof under the Declaration or these By-Laws, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building it is required to maintain under the Declaration or these By-Laws; and (b) each Unit Owner, with respect to the windows and window shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit, as well as those other areas of such Unit and its appurtenant Residential Limited Common Elements (if any) which are exposed to public view. In order to promote a consistent appearance of the Building from the outside, unless waived by the Board, each Residential Unit Owner will be required to install and maintain window treatments having a white or light, neutral-colored backing on the sides facing the windows in his or her Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board. Neither the interior nor the exterior glass surfaces of any windows located in any Unit may be altered, colored or painted.

6.6.4 Without limiting the generality of the other provisions of these By-Laws (including, without limitation, Section 6.6.3 hereof and the Rules and Regulations), the Commercial Unit Owner, at its sole cost and expense, shall:

(a) clean the interior and exterior doors in its Unit and in the perimeter walls thereof whenever necessary, and clean and polish the inside and outside of the store fronts of the Unit whenever reasonably necessary;

(b) keep its Unit clean, and in a sanitary condition, keep all plumbing and sanitary systems and installations serving its Unit in a good state of repair and operating condition to the points they connect with the main vertical risers and stacks of the Building;

(c) comply with all sanitary codes, bag and remove all rubbish and other debris from the subleased premises daily between the hours of 6:00 P.M. and 8:00 A.M., keep the sidewalks in front of its Unit clean and free from any garbage, debris, or obstruction and place all garbage away from the lobby;

(d) use reasonable efforts to eliminate all noxious fumes, odors or gases originating from its Unit and vent the foregoing;

(e) utilize all reasonable measures to keep its Unit free from rats, mice, insects, and other vermin;

(f) on a daily basis, keep the sidewalks in front of its Unit clean and free of dirt, ice, snow, mud and rubbish, but the cost of all necessary repairs or replacements to the sidewalks for which the Condominium is responsible shall be a Common Charge (unless the need to make

such repair or replacement is caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost);

(g) as soon as reasonably practicable after any glass (including mirrors) in its Unit and the perimeter and the demising walls thereof is broken or cracked, including a so-called "bulls eye" break in the glass, replace such glass with glass of substantially the same kind and quality as may be necessary or desirable in connection with such replacement, repair or replace the frames for such glass and in the event such Commercial Unit Owner shall fail to so replace such glass and if necessary repair or replace such frames as aforesaid, then the Board may replace the glass, if necessary, and repair or replace such frames on such Commercial Unit Owner's behalf and the Commercial Unit Owner shall, within ten (10) days after the Board's demand therefor, pay to the Board the costs incurred by the Board in so doing; and

6.6.5 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the maintenance, repair or replacement in or to its Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such maintenance, repair or replacement unless such Unit Owner, within ten (10) days after receiving notice of such default by the Board, (except in the event of an "emergency", i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Property 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 or with respect to all or any portion of the Property), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such ten (10) day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred by the Board in connection with the making of any such maintenance, repair or replacement in or to such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible as aforesaid, together with interest thereon at the rate of one and one-half percent (1.5%) per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration or these By-Laws:

(a) No Residential Unit Owner (other than Sponsor or its designee as the owner of Unsold Residential Units) shall make any alterations, additions, installations, improvements, replacements or repairs (all of the foregoing being, collectively, "Alterations") in or to its Unit which affects the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such Alteration in or to a Unit, the Board, at its option, may require any Residential Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration may be made. Any Unit Owner seeking to perform such work requiring the consent of the Board shall

be liable for all costs and expenses incurred by the Board in obtaining such consent.

(b) All repairs which would affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning system thereof, but excepting any system which exclusively serves the Unit in question) and all Alterations to any Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board.

(c) The Board may impose fees upon any Unit Owner to reimburse the Condominium for costs incurred by the Board in connection with the review and supervision of such Unit Owner's work.

6.7.2 Alterations to Residential Units.

All Alterations by a Unit Owner shall be performed:

(a) at the Unit Owner's sole cost and expense (which shall include, without limitation, the reasonable costs of the Board incurred in reviewing and approving such Unit Owner's submission for approval (if such approval is required under these By-Laws) and in monitoring such Unit Owner's compliance with the provisions of this Section 6.7);

(b) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(c) only during such days and hours as may be specified by the Board in its reasonable judgment;

(d) only after obtaining such insurance, naming the Board, the Managing Agent and Sponsor as additional insureds, as the Board or the Managing Agent may require and indemnifying the Board, all other Unit Owners and the Managing Agent against any liability arising from the work;

(e) In the case of a Residential Unit**,** employing such architects, engineers, contractors, subcontractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent; and

(f) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometimes hereinafter collectively referred to as "Legal Requirements"), including, without limitation, Legal Requirements relating to licensing of contractors, obtaining of all necessary governmental permits, authorization, certificate and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the Certificate of Occupancy for such Unit, if necessary.

6.7.3 In addition to the requirements set forth above in this Section 6.7, the Board shall have the right to impose certain requirements in connection with Alterations of Residential Units, including but not limited to:

(a) the Residential Unit Owner shall deposit with the Board an amount equal to ten percent (10%) of the cost of completing the Alterations submitted for the Board's approval;

(b) the Residential Unit Owner shall be required to complete any Alterations within a reasonable amount of time as determined by the Board;

(c) the Residential Unit Owner shall obtain all necessary or required signoffs from the applicable governmental authority for any Alterations performed within thirty (30) days of completion of such Alterations; and

(d) the Board may impose a limit on the number of Units in the Building undergoing Alterations at the same time.

6.7.4 The Unit Owner performing, causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of: (i) any amendment of the Declaration and the floor plans of the Condominium, if required by the Board or by any applicable Legal Requirements, to reflect any such Alterations, (ii) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary; provided that no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued; and (iii) in the case of a Residential Unit, any reasonable architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (A) in connection with the preparation, execution or submission of the applications referred to above; (B) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or permitted or caused to be made by any Unit Owner; (C) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (D) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify, defend and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.5 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit shall, if and to the extent required by law or such department or authority, be executed by the Board, in the case of any Alteration which such party has approved (or for which its approval is not required), provided that the Board shall not incur any liability, cost or expense in connection with or by reason of executing such application.

6.7.6 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, Sponsor and its designees shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board: (i) to make any Alterations in or to any Unsold Residential Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Offering Plan, any Purchase Agreement or otherwise); (ii) to subdivide, combine and change the boundary walls of Unsold Residential Units; and (iii) to add or fill in any floor space in the Building. Additionally, any initial purchaser of any Unsold Residential Unit shall have the right, without approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unit (which consent may be withheld or conditioned in Sponsor's sole discretion), that such purchaser obtains all necessary approvals required by law, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.7 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's requirements with respect to the same, even where Sponsor's consent for the Alterations may have already been granted. Such requirements may include, without limitation, the following:

(a) such work not include any change that would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued;

(b) such Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to ensure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;

(c) such work not be commenced until such 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;

(d) 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;

(e) Sponsor and its representatives shall be given reasonable opportunity, from

time to time, to inspect such work as it progresses;

(f) promptly after the completion of such work, all necessary inspections and approvals of the same 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;

(g) such Unit Owner shall indemnify, defend 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 a Legal Requirement or due to any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued) as a result of such work or the failure to timely make all appropriate governmental filings in connection with the same; and

(h) all contractors shall be duly licensed to the extent required by applicable Legal Requirements 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 Unit Owner, or the 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 same, Sponsor shall be entitled to cause such work by such Unit Owner to be halted, including, without limitation, causing the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until such Unit Owner so complies. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to cause to be performed (whether by Sponsor, its designee or otherwise) any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's or its designee's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), 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 Unit Owner. The cost and expense of any such work so performed shall be borne by such Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor.

6.7.8 Alterations to Commercial Unit. A Commercial Unit Owner may make Alterations or decorations in or to its that are compatible with the first class character and location of the Building and which comply with applicable Legal Requirements, without obtaining the approval of the Board, except that Alterations which would either in the course of performance or upon completion have a material adverse effect on the structural, mechanical, electrical or plumbing elements of the Building or the use and enjoyment of the Units and Common Elements for their permitted purposes, or that would increase insurance premiums or maintenance costs for any other Unit or the Common Elements, shall be subject to the approval, not to be unreasonably withheld, of the Condominium Board, and Alterations that affect the exterior of the Building shall not be made by a Commercial Unit Owner without the consent of the Condominium Board, in its sole discretion. Signage for the Commercial Units shall be permitted only in those areas and

accordance with the specifications identified in Exhibit C to these By-Laws, or as otherwise approved by the Condominium Board in its sole discretion. In the event that a dispute arises between the Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of these By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. The Commercial Unit Owner will be granted reasonable access to all parts of the Building (other than the interior of Residential Units) to which such Commercial Unit Owner reasonably requires access in order to perform any work or alterations desired by such Commercial Unit Owner thereof and permitted or required to be made by such Commercial Unit Owner hereunder.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise expressly provided in these By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Limited Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

6.9 Intentionally omitted.

6.10 Licensing and Use of Storage Bins.

6.10.1 Permitted Licensees; Transfer

(a) To help protect the security of the Building, the holder of a license to use a Storage Bin (a "Storage License") (other than Sponsor) must at all times be a Residential Unit Owner, provided, however, that the foregoing restriction shall not apply: (i) to Sponsor or its designee; or (ii) to the Board or its designees. If the Board terminates a Storage License or a Residential Unit Owner surrenders a Storage License without assigning such license to another

Residential Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion. If at any time the licensee of a Storage Bin sells its Residential Unit, it shall simultaneously assign its license of the Storage Bin to another owner of a Residential Unit (or the purchaser of such Unit), and if it fails to do so, the Board shall have the right to terminate the license of the Storage Bin and take possession of the same, without compensation to the licensee.

(b) Upon the issuance of a Storage License to a Residential Unit Owner, such Unit Owner may freely assign such license without the consent of the Board; provided such assignee is also a Residential Unit Owner; and provided further that the Board is provided written notice of such assignment. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of a Storage License.

(c) The Board has the authority to promulgate additional rules regarding the use of and access to the Storage Bins and the procedures for assigning such Storage Licenses. If the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Board shall have the right to issue a new Storage License for the corresponding Storage Bin upon terms and conditions determined in its sole discretion. The Board has the authority to promulgate such rules regarding the use, access, issuance (subject to Section 6.10.5 hereof) and conveyance of licenses, including the imposition of such fees, as it shall determine in its sole discretion, for use of the Bicycle Storage by Unit Owners.

6.10.2 Use. The Storage Bins may be used only by occupants of the Units and only for storage of the personal effects of the owners or tenants thereof (or in the case of Bicycle Storage, a bicycle), provided that no article or material that shall pose a threat to the health or safety of the Unit Owners or other occupants of the Building, or that shall cause the dissemination of noxious odors, dirt or other sanitary problems or otherwise create a nuisance, shall be permitted to be brought into or stored in any Storage Bin or Bicycle Storage. Notwithstanding the foregoing, Sponsor or its designee shall have the right to use any unlicensed Storage Bins and Bicycle Storage for any lawful purpose or to change the permitted use of any unlicensed Storage Bins or Bicycle Storage, subject, however, to the provisions of the Declaration.

6.10.3 License Fee. Holders of Storage Licenses, excluding Sponsor with respect to unsold Storage Licenses, will be required to pay a license fee to the Condominium in an amount equal to $1.00 per month per square foot of such Storage Bin, and $20 per month with respect to Bicycle Storage rack space, which amount for the Storage License shall, following the First Closing, be subject to biannual increases based upon the CPI Increase Factor in effect on the date of the first closing. Further, the license fees are subject to change from time to time as the Board deems necessary.

6.10.4 Copy to Managing Agent. Upon the issuance of a Storage License to a Residential Unit Owner or the transfer of a Storage License to an assignee, such Unit Owner or assignee, as the case may be, shall provide the Managing Agent with a copy of the Storage License.

6.10.5 Issuance. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to initially issue Storage Licenses for Storage Bins and

Bicycle Storage and to retain the proceeds thereof, if any. Thereafter, if the Board terminates a Storage License or a Unit Owner surrenders a Storage License without assigning such license to another Unit Owner, the Residential Board shall have the right to issue a new Storage License for the corresponding Storage Bin or Bicycle Storage upon terms and conditions determined in its sole discretion

6.10.6 Creation of and Changes to Storage Bins. Sponsor (or its designee), in its own name or in the name of the Board, shall have the exclusive right to create new Storage Bins from under-utilized Common Elements (i.e., Common Elements, in whole or in part, which have not been specified for a given purpose or use in the Plan, or which are otherwise unnecessary for the use and benefit of the Common Elements to which they are adjacent) and sell licenses therefor, and to change the number and size of the Storage Bins by, among other things, subdividing and reconfiguring the Storage Bins and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration, among other things, a portion of a subdivided Storage Bin's space.

6.11 Intentionally omitted.

6.12 Use of Common Elements; Use of Adjacent Sidewalks.

6.12.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.12.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.12.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements, shall, to the extent permitted by applicable law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretions and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board.

6.12.4 The Owner of any Residential Unit constituting the only Residential Unit on a given floor of the Building shall have the exclusive right to use the elevator vestibule on that floor, as if such Common Element was a part of such Unit; provided however, that (i) notwithstanding the provisions of Section 6.4 hereof, such Unit Owner, at its sole cost and expense, shall be responsible for the operation, maintenance and repair of that portion of the Common Elements, (ii) such use shall be in compliance with all Legal Requirements, and (iii) the Owner shall not be permitted to block emergency exits or fire doors, or make any permanent installations or alterations that would impede emergency egress to or through such floor (e.g., furniture must be of a movable nature) or interfere with the Board's exercise of its easements over Common Elements, including with respect to the ability to access such floor for as may be required from time to time for maintenance, repair, or replacement concerning any Unit or Common Element.

6.12.5 Notwithstanding the foregoing, elevator landings which serve fewer than three (3) Units may be decorated and/or furnished by the adjoining Residential Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Residential Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same

6.12.6 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing (or until no Unsold Residential Units remain, if earlier), to use portions of the General Common Elements, without charge, for exhibitions or for other promotional functions with respect to the sale and leasing of Unsold Residential Units.

6.12.7 The Commercial Unit Owner shall not:

(a) permit it or its occupants' respective employees, agents, heirs, distributees, executors administrators, legal representatives, successors, and assigns, to enter or use the Building's lobby or other public areas of the Building, nor have access or use of any kind of the Building's elevators, except in an emergency.

(b) except in an emergency, permit, bring into, or have delivered from the street, any deliveries whatsoever, to its Commercial Unit through the lobby of the Building; and all deliveries of any kind on behalf of a Commercial Unit Owner or any other occupant of a Commercial Unit, shall be made through the Commercial Unit;

(c) display, or permit to be displayed, any merchandise, nor maintain, or permit to be maintained, any stand or counters upon any part of the sidewalk in front of or adjoining its Commercial Unit or the Building; or

(d) permit or allow to be placed any table, seat, bench, or other form of outside seating on the sidewalks anywhere on the sidewalk adjacent to the Building.

6.13 Right of Access.

6.13.1 Each Unit Owner grants a right of access to its Unit to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and having a reasonable likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by tenants and occupants of the Commercial Unit or with the use of the other Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.4, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner or tenant is present.

6.13.2 Each Unit Owner grants a right of access to its Unit and, in the case of a Residential Unit, any Residential Limited Common Elements appurtenant thereto, and the Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of complying with and fulfilling each such party's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by such party, with respect to any Unit or Residential Limited Common Element, in such a manner as will not unreasonably interfere with the use of the Unit or Residential Limited Common Element for its or their permitted purposes. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Residential Unit and to all of the Residential Common Elements and Residential Limited Common Elements for the purpose of performing certain alterations and repairs in or about the Unsold Units, complying with and fulfilling each party's obligations as set forth in the Plan and other documents relating to the construction (including obligations relating to procuring a permanent Certificate of Occupancy), development and operation of the Property (including the Units therein), performing post-closing Residential Unit "punchlist" work, and exercising its other rights or performing its other obligations under the Plan. In connection with Sponsor's obligation to procure a permanent Certificate of Occupancy, the Board will in good faith cooperate and not interfere with Sponsor's efforts relating to the construction, development and operation of the Property. Sponsor and any successor Sponsor's rights under this paragraph shall continue (a) notwithstanding that no Unsold Units remain, (b) until the Building has been fully constructed and a permanent Certificate of Occupancy for the Building has been issued, and (c) until Sponsor has no remaining obligations under the Offering Plan or under a Purchase Agreement (i.e., post-closing Residential Unit "punchlist" work), or otherwise. Except in the event of an emergency, Residential Unit Owners' shall receive a minimum of one (1) days' notice from Sponsor in connection with the foregoing access.

6.14 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such

modification, amendment or addition and (b) no such adoption, modification, amendment or addition affecting Sponsor or the Unsold Residential Units may be made unless agreed to, in writing, by Sponsor or its designee; and (c) any such adoption, modification, amendment or addition which adversely affects the Commercial Unit shall require the consent of the subject Commercial Unit Owner. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.15 Real Estate Taxes, Water Charges and Sewer Rents.

6.15.1 Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocate such costs as a Common Expense among the Unit Owners, or the Residential Unit Owners, as applicable, as reasonably determined by the Board, based on Common Interests, and the Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents. In the event Sponsor pays such charges on behalf of the Board, (a) the Board and/or Unit Owners shall be required to reimburse Sponsor for such charges, or (b) Sponsor shall be entitled to offset the amount paid for such charges against future costs allocated to Sponsor.

6.15.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units in proportion to their respective Common Interests. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. In the event Sponsor pays such taxes on behalf of the Board, Sponsor shall be entitled to offset the amount paid against future costs allocated to Sponsor. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Residential Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense.

6.15.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.15.4 The Board shall commence, pursue, compromise and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to any or all of the Residential Units on behalf of and as agent for the respective Residential Unit Owners thereof, but only with respect to such Residential Units as to which the respective Unit Owners thereof have, in writing requested and authorized the Board to do so, and indemnified the Board from and against all claims, costs and expenses (including, without limitation, attorneys' fees) resulting from such proceedings. All Residential Unit Owners making such request to the Board will share the costs

in connection therewith in proportion to the benefits derived therefrom by such Unit Owners. In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies, defends and holds the Board harmless from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

6.16 Electricity. Each Residential and Commercial Unit will be separately metered and shall pay actual usage charges directly to Con Edison. Electricity for the General Common Elements and Residential Common Elements will be separately metered and the cost will be borne by the Residential Unit Owners and allocated among the Residential Units on the basis of percentage of Residential Common Interest

6.17 Gas. Gas for heating, via gas-fired boilers, and for general use, including domestic hot water, kitchens, dryers and fireplaces, will be supplied by Con Edison via on meter, while a separate gas meter will service the emergency generator, all of which will constitute a cost borne by the Residential Unit Owners and allocated among the Residential Units on the basis of percentage of Residential Common Interest. The Commercial Unit will be separately metered the extent gas is desired.

6.18 Dispute as to Utilities Charges. In the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration.

6.19 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners.

6.19.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (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 Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone, electronic mail or facsimile) that such violation exists, that repairs or replacements are necessary and that the 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 Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.19.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or

remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions set forth in this Article 7. A Residential Unit Owner who mortgages its Unit owned by such Unit Owner, or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit, other than Permitted Mortgages. A Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Commercial Unit Owner may mortgage its Unit(s) without any restriction or limitation.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of a Unit, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so requested in writing by such Permitted Mortgagee; however, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure. In addition, the Permitted Mortgagee of a Unit shall be provided with timely written notice of any condemnation or casualty loss that affects either a material portion of the Building or the Unit securing the Permitted Mortgage.

7.3 Performance by Permitted Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Representatives of Mortgagees.

7.5.1 The holders of Institutional Mortgages constituting a majority of the outstanding principal amount of all Institutional Mortgages encumbering the Residential Units may, at their election, designate in writing to the Board one or more (but not more than three (3)) representatives ("Residential Mortgagee Representatives"), which Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Institutional Mortgages

encumbering the Residential Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. The holders of Institutional Mortgage(s) encumbering the Commercial Unit may, at their election, designate in writing to the Board the holder of the highest mortgage encumbering the Commercial Unit, or its designee, corporate or otherwise, as their representative (the "Commercial Mortgagee Representative"), which Commercial Mortgagee Representative shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Commercial Unit with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgagee Representatives are so designated and notice thereof is given to the Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages encumbering the Residential Units or the Commercial Unit, respectively. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units, (a) which is a Permitted Mortgage or a mortgage encumbering a Unit then owned by Sponsor or its designee, and (b) the initial holder of which is (i) Sponsor or its designee, (ii) a savings bank, savings and loan association, bank, trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a Federal, state, municipal, teachers', union or corporate employee, welfare, pension or retirement fund or system. The Residential Mortgagee Representatives and Commercial Unit Mortgagee Representative are sometimes referred to collectively herein as the "Mortgagee Representatives."

7.5.2 Any designation of a Residential Mortgagee Representative or Commercial Unit Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. No Unit Owner (other than Sponsor or its designee) may sell or lease its Unit except by complying with the provisions of this Article 8 and, specifically, this Section 8.1. Subject to the terms of Section 8.7 hereof, each Residential Unit Owner may sell its Unit, or lease its Unit for terms of one (1) year or more only (or for such other period of time as may be determined by the Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1).

8.1.1 Subject to the terms of Section 8.8, any contract to sell a Residential Unit, together with its appurtenant Common Interest, or any lease of a Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of 1165 Madison Avenue Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of 1165 Madison Avenue Condominium". (The Residential Unit Owner who has entered into a Sale Agreement or Lease is

herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(a) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the Managing Agent, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Unit, together with its appurtenant Common Interest, or to lease its Unit, as the case may be, to the Board, or its designee, (as the representative of all Residential Unit Owners), upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board (as the representative of all Residential Unit Owners), that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such information, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by nationally recognized overnight courier, to such Offeree Unit Owner before the expiration of such twenty (20) day period either to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease, as such terms and conditions may be modified or supplemented by any additional information provided by the Offeree Unit Owner in response to the Board's requests for information as provided above.

8.1.2 If the Board shall timely elect to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within sixty (60) days after the giving of notice by the Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than sixty (60) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease that are required to be performed by the Outside Offeror (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, as the representative of all Unit Owners, by deed in the form required by Section 339-o of the Real

Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3 If the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such twenty (20) day period, the Offeree Unit Owner shall have until (a) an additional sixty (60) days after the earlier of (i) the expiration of such twenty (20) day period or (ii) the Board's waiver in writing by the Board or (b) such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such sixty (60) day period (or by such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws and the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of: (i) a default by the tenant in the performance of its obligations under such Lease or a default by or caused by such tenant under any of the provisions of these By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these By-Laws and the Rules and Regulations. In the event a tenant under a Lease acts in violation of the provisions of the Rules and Regulations, the Board shall have the right to deny any request for renewal of the term of such Lease without having to waive its right of first refusal as is otherwise required pursuant to Sections 8.4 and 8.5 herein.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from

the subtenant.

8.1.7 If an Offeree Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock or if an Offeree Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of such Unit Owner as the purported seller or landlord, as the case may be. Such Unit Owner shall reimburse the Board for all expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of a Unit in violation of this Section 8.1 release the Unit Owner who is the purported seller or lessor, as the case may be, from any of its obligations under the Declaration or these By-Laws, whether or not such sale or lease is voided by the Board.

8.1.9 If the Board exercises its right of first refusal to purchase or to lease pursuant to Section 8, the Offeree Unit Owner shall have the right to proceed with sale or lease to the Board, or alternately, shall have the right to withdraw the Sale Agreement or Lease, as applicable, as presented to the Board. The Offeree Unit Owner must notify the Board of any such withdrawal within five (5) days of the Offeree Unit Owner's receipt of notice of the Board's exercise of its right of first refusal.

8.1.10 Notwithstanding anything contained herein to the contrary, the Board shall not be obligated to exercise the option herein contained and the sale or lease shall not proceed in the event the Board determines that the purchaser, lessee or anyone anticipated to be residing in the Unit has diplomatic immunity or has been convicted of a violent crime or child molestation.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Board. Subject to the remaining provisions of these By-Laws and the Declaration, the Board may not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority in interest of the Unit Owners. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners.

The Board, in its sole discretion and without the approval of the Unit Owners, may obtain and close on mortgage loan financing in such amount as it determines, subject to limitations hereafter set forth, to finance the purchase of any Unit as to which the Board exercises its right of first refusal pursuant to Section 8.1, provided that: (i) such mortgage is secured by a first lien on the Unit being purchased, and (ii) the principal amount of such mortgage does not exceed the purchase price for the Unit plus the amount of closing costs incurred by the Board in connection

with such purchase and related mortgage financing.

As to any purchase of a Unit by the Board, and related mortgage loan financing, pursuant to the exercise by the Board of its right of first refusal under Section 8.1: (i) the Board shall be required to comply with all terms related to financing of purchase of such Unit as are contained in the Sale Agreement for such Unit as negotiated by the Unit Owner and as presented to the Board pursuant to Section 8.1, and (ii) the Board shall be required to close on its purchase of such Unit within sixty (60) days of the date set for closing in such Sale Agreement or sixty (60) days of date of notification of exercise of right of first refusal, whichever is later.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for its consideration of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of Section 8.1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase, or Refinancing, of Units by Board. The purchase of any Unit together with its appurtenant Common Interest, by the Board or its designee, on behalf of all Unit Owners, may, at the option of the Board, be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. The Board may levy an assessment against each Unit Owner, in proportion to its respective Common Interest, as an additional Common Charge, and/or the Board, in its discretion, may finance the acquisition of such Unit and subsequently refinance such Unit or refinance any loan secured by or relating to a resident manager's Unit, if any (on such terms and in such amount(s) as the Board determines); provided,

however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property (except to the extent permitted by law) other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest.

8.7 Exceptions. In addition to any other exceptions herein before set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Unit, together with its appurtenant Common Interest, by: (a) the Residential Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (an "affiliate" being defined as for purposes hereof as a person or entity that owns fifty percent (50%) or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns fifty percent (50%) or more of the legal and beneficial interest) of the Residential Unit Owner thereof or the owner of any controlling interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Residential Units; (c) the Board; (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to the assignment of any Storage License, subject to the other restrictions with respect to the ownership of any Storage License set forth in these By-Laws, nor shall they apply to any lease, sale or conveyance of: (i) a Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same; or (ii) a Commercial Unit or any part thereof, together with its Common Interest. Notwithstanding the foregoing, the licensee of any Storage Bin must also at all times be the owner of a Residential Unit, provided, however that the foregoing restriction shall not apply: (i) to Sponsor or its designee or (ii) to the Board or its designees. There are no restrictions upon the number of Storage Licenses any Purchaser may purchase at any time or from time to time.

8.8 Gifts, Devises and Intestate Transfers. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of Section 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to sell, convey, mortgage, pledge, hypothecate or lease its Unit unless and until it shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and

theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against its Units, other than Permitted Mortgages. Each Unit Owner shall notify the Managing Agent at least five (5) business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.11 Mortgage of Units. Subject to Article 7 and Section 8.10, each Unit Owner shall have the right to mortgage its Unit without restriction.

8.12 Prohibition Against Advertising and Resales. Purchasers are prohibited from selling or leasing their Unit, listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease prior to the closing of such Unit. Any such sale or lease, listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives shall constitute a default under the Agreement, entitling Sponsor to the remedies set forth therein and any lease or conveyance in violation of the foregoing will be voidable by Sponsor. Additionally, purchasers having acquired their Units from Sponsor are prohibited from selling or leasing their Unit or listing their Unit for sale or lease with any broker or otherwise advertising, promoting or publicizing the availability of their Unit for sale or lease for a period of 12 months after the closing of their respective Unit. Any such sale or listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives in violation of the foregoing sentence shall entitle Sponsor to all remedies available at law or in equity.

8.13 Working Capital Fund. On the closing of the transfer or sale of each Unit, the purchaser or transferee shall make a non-refundable contribution to the Condominium Working Capital Fund equal to one month's common charges (other than an Unsold Unit) and a non-refundable contribution to the Condominium Reserve Fund equal to one month's common charges (other than an Unsold Unit).

8.14 Transfer of Interests in Entities Owing Units. In the event a Unit is owned by an entity, a transfer of interest in the entity shall be considered a transfer of the Unit and the Board shall have the same right of first refusal to purchase the interests in the entity.

8.15 Transfer of Units to Trusts and Other Entities. No Unit shall be owned by or transferred to a trust or other entity unless the Condominium Board receives, prior to or at the closing in a form determined by the Board (a) a written designation of the state and federal courts in New York City as a jurisdiction for any dispute between the unit owner and the Condominium, (b) a written designation by the purchaser of an agent for service of process in New York City, (c) a guaranty of the Common Charges and assessments signed by an individual on behalf of the entity purchasing the unit and (d) an occupancy agreement identifying who will be residing in the Unit.

8.16 Lease or Purchase of Unit or Other Apartment for Resident Manager's Residence. The Condominium Board shall have the right to lease or purchase a Unit or other apartment for the Resident Manager's use and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease without the approval of a Majority of Unit Owners.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Common Elements and/or Residential Limited Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five percent (75%) or more of the Residential Common Elements, Residential Limited Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless at least eighty percent (80%) in both number and aggregate Common Interests or more of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Retail) pursuant to an appraisal of fair market values to be performed by a panel of three (3) independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board (or the Managing Agent) shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit

Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant or an independent certified public accounting firm, shall be submitted by the Board to all Unit Owners, and to all Permitted Mortgagees of Units, who have requested the same in writing. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these By-Laws or the Declaration, any arbitration provided for in these By-Laws or the Declaration ("Arbitration") shall be expedited arbitration conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Section 6.4 and 6.5, any arbitrator shall be a real estate professional, having ten (10) or more years' experience in the field of Manhattan residential real property. Notwithstanding the foregoing, any Arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any Arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his or her appointment.

11.2 Costs and Expenses. 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 a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the Board in connection with any Arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be

submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Residential Units, the Building has been fully completed, a permanent certificate of occupancy therefor has been issued and Declarant or Sponsor has no remaining obligations under the Offering Plan or otherwise.

12.2 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.4 Conflict. In the event the provisions of these By-Laws or the provisions of the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5.4 Unless otherwise expressly stated herein to the contrary, all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the date of the initial recording of the Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-

84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

12.6 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

12.7 Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a commercial bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more, subject to increase by the CPI Increase Factor. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. Notwithstanding the foregoing, for so long as Sponsor's Construction Loan is outstanding, Sponsor shall have the right to designate Sponsor's Construction Lender to serve as Insurance Trustee.

12.8 Successors and Assigns. The rights and obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, any transferee of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action which such Unit Owner or other party is required to perform pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, on behalf of such Unit Owner or other party, to execute, acknowledge

and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

12.10 Mold. Unit Owners are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Residential home construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. Notwithstanding the foregoing, Sponsor will remediate any mold or mildew occurring within ninety (90) days after Closing, if due to a construction defect at the Building.

12.11 Indemnity. In the event Unit Owner requests that the Board's employees perform services for the Unit Owner, which are not the Board's obligation to perform, including but not limited to repairs and alterations to the Unit Owner's Unit, such request shall be deemed to include the Unit Owner's indemnification of the Board and shall save the Board harmless from any liability, loss, damage and expense arising from injury to any person (including the employee) or property when occurring while the employee is performing such work.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners.

13.1.1 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting, among other things, Sponsor (or its designee), any Unsold Residential Units, or the Commercial Unit or the Commercial Unit Owner, and provided that required consents of the Residential Mortgagee Representatives, if any, are obtained: (a) any provision of the Declaration, the By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least sixty-six and 2/3 percent (66-2/3%) in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Commercial Unit or the Commercial Unit Owner may be amended, modified, added to or deleted by the affirmative vote of the Commercial Unit Owner (or 51% in Common Interest of the Commercial Unit Owners, in the event that the Commercial Unit shall at any time be subdivided into more than one Unit); provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Unit Mortgagee Representative,

if any; (c) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least sixty-six and two-thirds percent (66-2/3%) in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Residential Units, or the Commercial Unit or the Commercial Unit Owner, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, the Commercial Unit Owner or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.2 Amendments Affecting Sponsor or its Designee.

13.2.1 Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of the Declaration, these By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one or more Units, or any Unsold Residential Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Residential Unit unless such holder has given its prior written consent thereto.

13.2.2 If the number of rooms in an Unsold Residential Unit is changed, or the size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with Article 9 of the Declaration, then Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Residential Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Board, any other Unit Owners or the Residential Mortgagee Representative(s), if any, or Commercial Mortgagee Representative(s), if any.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections

6.1, 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7 of these By-Laws shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 Amendments Affecting the Commercial Units.

13.4.1 If the number of rooms, the layout or the size of the Commercial Unit is changed and/or the percentage interest in the Common Elements appurtenant to such Commercial Unit is reapportioned (whether as a result of a subdivision or combination of such Commercial Unit or the alteration of boundary walls between subdivided portions of such Commercial Unit or otherwise) among any newly created or constituted Commercial or other Commercial Units as a result thereof, then the Unit Owner(s) of such retail or other Commercial Unit(s) shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as such Unit Owner(s) deems appropriate to effectuate the same) reflecting such change in the number of rooms, the layout or the size of such Unit(s) and/or the subdivision or combination of such Unit(s) and the reapportionment of the percentage interests in the Common Elements among such newly created or constituted Units, all without the approval of the Board, any other Unit Owners or the Residential or Commercial Unit Mortgagee Representatives, if any.

13.4.2 Notwithstanding the foregoing, none of the Declaration, these By-Laws or the Rules and Regulations may be amended, modified or terminated in any manner which adversely affects a Commercial Unit without the consent of its respective Commercial Unit Owner.

13.5 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, the By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification), if such Unit Owner does not notify the sending party in writing within ten (10) business days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The foregoing shall not apply to notices given to Sponsor or any other holder of Unsold Residential Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

13.6 Consents of Sponsor and/or the Commercial Unit Owner. The provisions of: (a) this Article 13 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee; and (b) Section 13.4.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owners.

ARTICLE 14

CERTAIN DAMAGES

14.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his or her Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

14.2 Abatement and Enjoinment.

14.2.1 In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges

14.2.2 The violation or breach of any of the terms of the By-Laws with respect to any rights, easements, privileges, or licenses granted to Declarant shall give to Declarant the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity.

14.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Declarant in this Article 14 or elsewhere in the By-Laws shall be cumulative, shall be in addition to all other remedies obtainable at Law or in equity and may be exercised at one time

or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

14.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 14.1 or Section 14.2 hereof shall be immediately payable by (a) such Unit Owner to the Condominium Board or (b) the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 14.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

14.5 Liability for Litigation Costs. If any Unit Owner, tenant, purchaser or an applicant to purchase or lease a Unit, institutes any arbitration, action or proceeding against the Condominium, its officers, Board Members, agents or employees, relating to the By-Laws, the Rules and Regulations or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser or applicant or the action or proceeding is dismissed, then on a determination by the court that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the Unit Owner or rent against the subtenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions and proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

EXHIBIT A

RULES AND REGULATIONS OF
1165 Madison Avenue Condominium

1. The entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Unit Owners and their invitees other than the respective purposes for which they were intended. There shall be no blocking of entranceways, passageways or vestibules, and no waiting or loitering in the lobby and no double parking of limousines, trucks or cars in the front of the Building.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire landings of the Building nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of any Units of the Building.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, elevators, vestibules, corridors, fire landings of or serving the Building.

4. No public hall or public elevator vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner, except as otherwise expressly provided in the By-Laws.

5. Each Unit Owner shall keep his or her Unit (and any Residential Limited Common Element appurtenant thereto) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No window guards or other window decorations shall be used in or about any Unit, unless otherwise required by applicable Legal Requirements and as approved by the Board. However, each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Unit and shall not remove the same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent. Residential Unit Owners are not permitted to hang window treatments from the window wall or frame. All window treatments must be secured either from the ceiling above the window or the adjacent wall. All window treatments must have a white-colored backing on the sides facing the windows of the Unit.

7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any Unit or anywhere in or on the Building, except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of any Unit.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board; and no "window" air-conditioners of any kind shall be permitted.

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

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the Building through the main Building entrance or be allowed in the lobby or in the passenger elevator, except in the case of a bicycle, such bicycle is being taken to or from the residents' bicycle storage area, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, vestibules, corridors or other public areas of the Building. The service entrance is the only means by which bicycles should be transported in and out of the Building. Unit Owners or occupants of a Unit (including children) will be subject to a fine of $50 per person each time that they or their guests are found in the lobby with a bicycle, scooter or tricycle or wearing rollerblades.

11. No Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or their tenants or occupants. Without limiting the foregoing, no Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Unit Owner's Unit between 10:00 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 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 or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 4:00 P.M., unless such construction or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Residential Units, by Sponsor or its designee, or by the Commercial Unit Owner (after obtaining the consent of Sponsor or the Board as applicable).

12. The hours of use for the Residential Common Roof Deck shall be from 8:00 A.M. to 11:00 P.M., or as otherwise indicated by the Board from time to time.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted, kept or harbored in a Unit unless the Board or the Managing Agent in each instance has expressly consented in writing (which writing may be in the form of an email). Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, for cause. A Residential Unit Owner may keep as pets in his or her Unit not more than two (2) domestic dogs each weighing no more than 90 lbs., domestic cats, caged birds and fish, nor shall any dog of an aggressive breed be permitted within the Building, unless the Board or the Managing Agent in any and each of the foregoing instances has expressly consented in writing (which writing may be in the form of an email),

provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant.. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall any bird, reptile, or animal be permitted in any public elevator in the Building, other than the elevators designated by the Board or the Managing Agent of the Building for that purpose, or in any of the public portions of the Building, unless carried or on a leash. Any Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined an amount to be determined by the Board. 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. Each Unit Owner who keeps (or permits to be kept) any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

14. Service personnel, messengers and tradespeople visiting or residing in the Building may be required to use the service elevator for ingress and egress, and shall not use the main passenger elevator for any purpose, except that nurses in the employ of Unit Owners or their guests or tenants may use the main passengers elevator when accompanying the Unit Owner, guest or tenant.

15. All service and delivery persons will be required to use the service entrances to the Building. All packages, including, without limitation, those containing perishable items, delivered to Units by outside personnel must be delivered to the area therefor designated by the Board or the Managing Agent. Deliveries will be made from such area to individual Units only by Building personnel as otherwise directed by Building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Unit is not occupied or delivery is declined, the package will be held in the designated area until the resident or authorized person returns or requests delivery, except in the case of perishable items which will be held in the designated area for no longer than twenty-four (24) hours. After said twenty-four (24) hour period, the perishable item shall be disposed of by Building personnel. Building personnel will not be responsible for packages held in the package room for more than seventy-two (72) hours. No large deliveries will be accepted for a Unit Owner (or occupant of a Unit) unless such Unit Owner (or occupant) has made prior arrangements with the Building staff.

16. Trunks and heavy baggage shall be taken in or out of the Building by the service elevator, and through the service entrance only.

17. No refuse shall be removed from the Units except at such times and in such manner as the Board or the Managing Agent may direct.

18. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

19. No occupant of the Building shall send any employee of the Building or of the Managing Agent out of the Building on any private business.

20. The agents of the Board or the Managing Agent, and any contractor or worker authorized by the Board or the Managing Agent and accompanied by an agent of the Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one 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.

21. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

22. The Board or the Managing Agent shall retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws or Declaration, and the Unit Owner has not furnished a key to the Board or the Managing Agent, then the Board or the Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the Unit Owner's property).

23. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

24. No Unit Owner or any of his or her agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance.

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

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

27. Unit Owners shall comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of

waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials and/or categories of each of same. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling and disposal of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable law regarding the recycling of trash against a Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Unit Owner as additional Common Charges. Unit Owners will comply with the following procedures with respect to the disposal of refuse: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the designated refuse area; (d) crush into tight bundles all loose papers before placing the same in the designated refuse area; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the designated refuse area must be picked up directly from the Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

28. Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

29. Except as otherwise expressly provided in the By-Laws and the Declaration, Unit Owners, their families, guests, service personnel, 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.

30. The Board shall have the right from time to time to relocate any portion of the Common Elements used by the Building for storage or service purposes.

31. All firearms are banned from the Building. No Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall at any time have or harbor firearms while in the Building, except as approved by the Board in its sole discretion.

32. No Unit Owner, tenant or occupant of a Unit shall conduct any group tour, exhibition or open house of any Unit or its contents or any auction sale in any Unit, without the prior consent of the Board or the Managing Agent.

33. In the event that any Residential Unit is used for home occupation purposes or other purposes which are permitted by law or court order, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

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

35. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

36. Notwithstanding any references to "Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all tenants, guests and other occupants of the Condominium. Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Units.

37. With respect to any Unit to which there is a Terrace appurtenant, the following additional rules and regulations shall apply: All furniture must be "patio/terrace" furniture which is rust-proof; any planting/landscaping must comply with all Legal Requirements (including the Zoning Resolution). Plants may not exceed the total weight allowance of 100 pounds and must be planted in water-proof containers so as not to cause water leakage. Unit Owners shall not be permitted to exceed a weight load of 60 lbs. per square foot for the Terraces. Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Terraces must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in good repair. The Unit Owner shall not remove any of the above items by putting them over the Terrace walls, but shall remove said items either through the apartment or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc., from any Terrace wall, structure, railing or other temporary or permanent structure is permitted. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace; any appropriate furniture including tables, chair cushions and umbrellas may be left on the Terraces only if properly secured. No items can be placed on the Terrace parapet wall and/or railing. In no event shall any Unit Owner be permitted to enclose any Terrace (except to the extent that such Terrace was enclosed by Sponsor) or erect any structure on any Terrace. No portion of any Terrace may be painted, cemented or changed in any fashion from its original appearance. No carpeting may be placed on any Terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace. No unattended animals, which include but are not limited to dogs, cats, birds, are allowed on any Terrace.

38. Unless expressly authorized by the Board in each case, at least eighty percent (80%) of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

39. With respect to any lease (and lease renewal) which, pursuant to the By-Laws, is subject to the Board's review and right of first refusal, a fee for any such lease (or renewal of a lease) as determined by the Board from time to time, shall be payable. Any such Unit Owner that has entered into or renewed a lease with a tenant and has not submitted the lease (or lease renewal)

to the Managing Agent will have thirty (30) days from the date notified by the Managing Agent to submit the lease or the renewal. In the event that any such Unit Owner does not submit such lease or lease renewal to the Board within such thirty (30) day period, such Unit Owner shall be subject to a fine as determined by the Board from time to time, and further action by the Board.

40. Horseplay or objectionable behavior (such as the use of loud boisterous, obscene, or offensive language) in any area of the Exercise Room, Fitness Center, and the Common Terraces located on the Roof of the Building is strictly prohibited.

41. Appropriate attire must be worn in all common areas of the Building at all times.

42. Unit Owners shall not permit a weight load in excess of 40 lbs. per square foot on a Unit's floor.

43. The Condominium shall be a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Residential Units, on Terraces appurtenant to Residential Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under Section 6.19 of the By-Laws, including, without limitation, such fines and penalties as the Board may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

44. Cigarette, e-cigarette, cigar or pipe smoke is prohibited in any Common Element areas within the interior of the building as required by all applicable laws and is prohibited in any exterior Residential Common Elements (e.g., the Common Terrace), but shall be permitted within Residential Units and on Terraces appurtenant to Residential Units. However, Unit Owners, occupants and their guests shall not permit cigarette, e-cigarette, cigar or pipe smoke to emanate from any such permitted areas, including within Residential Units, if they are unable to prevent the smoke from entering interior Common Element areas, exterior Residential Common Elements for which such activity is prohibited, or another Residential Unit. The Board shall have the right to seek and obtain a court order enjoining the occupant of a Residential Unit from smoking in the Residential Unit or the Common Elements if the smoke escapes the Residential Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Residential Unit or the Common Elements if the smoke escapes from the Residential Unit. In addition to all other remedies available to the Board under Section 6.19 of the By-Laws, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board, and (ii) reimbursement of any fees or expenses incurred by the Condominium or the Board to cause the smoke infiltration into the Common Elements or another Residential Unit to cease (including legal fees) in enforcing this provision. The initial penalty for a violation of the smoking policy shall be set at $250.00 and shall be subject to increases with further violations.

45. Violations of the these Rules and Regulations will result in a fine in an amount to be determined by the Board from time to time levied against the offending Unit Owner (or Unit Owner responsible for the offending party) for each violation. Continued violations may result in suspension or revoking of a Unit Owner's privilege to use the various Building amenities by the Board.

46. For purposes of these Rules and Regulations, "Unit Owner" is deemed to include a spouse of a Unit Owner, or children's caregiver who is over the age of eighteen (18), as well as any resident living in the Building pursuant to a lease.

47. A Unit Owner's rental or license of an amenity space shall be subject to such terms as may be set forth in a form of amenity agreement acceptable to the Board.

48. **The following Rules and Regulations are applicable only to the Fitness Center**:

(a) Use of the Fitness Center is restricted to individuals of at least sixteen (16) years of age.

(b) Personal trainers must submit proof of certification and insurance to management before using the Fitness Center and must at all times while using the Fitness Center be accompanied by the Unit Owner being trained. Personal trainers may not work out in the Fitness Center at any time.

EXHIBIT B

Prohibited Uses for Commercial Units

1. Any use which emits an unreasonable odor, noise or sound which can be heard or smelled inside another Unit.
2. Any use which emits excessive dust or vapors outside of the Unit and into another Unit where such dust or vapors are being emitted;
3. A nightclub, cabaret or any use involving continuous live or recorded music, entertainment and/or dancing, or a bar serving liquor.
4. A restaurant, café or other use where the principal business is the preparation of food and/or drink
5. Any operation primarily used as a storage warehouse operation; provided, however, that ancillary storage uses necessary for the operation of the business in each Unit shall be permitted;
6. Any "second hand" store selling used goods or clothing;
7. Any so-called "discount" or "99 cent" store;
8. Any pawn shop;
9. Any incineration of garbage;
10. Any bankruptcy sale (unless pursuant to a court order) or auction house operation;
11. Any central laundry, dry cleaning plant or laundromat; provided, however, this prohibition shall not be applicable to supportive facilities for on-site services oriented to pickup and delivery by the ultimate consumer;
12. Any automobile, truck, trailer or recreational vehicles sales, leasing or display operation that displays more than four (4) vehicles on-site;
13. Any automobile repairs shop (mechanical or otherwise) or any business servicing motor vehicles, including, without limitation, any quick lube oil change services, tire centers, or any business storing or selling gasoline or diesel fuel at retail or wholesale;
14. Any veterinary hospital or animal raising facilities (except that this prohibition shall not prohibit pet shops or pet grooming businesses from operating in their customary manner);
15. Any mortuary or funeral home;
16. Any establishment selling paraphernalia relating to the use of illegal drugs other than as sold in national pharmacies;
17. Any car wash;
18. Any bowling alley, skating rink, pool hall, ballroom, dance hall or auditorium (other than an auditorium ancillary to the main use of a Unit and that are used principally for servicing Unit Owner's employees and invitees);
19. Any arcade or game room, unless such arcade or game room is located in the Building's cellar or is incidental to other business operations in the Building;
20. Any business or establishment including a fortune teller or palm reader;
21. Any manufacturing operation or facility;
22. Any commercial or non-profit establishment of an type or nature whatsoever: (a) the primary purpose of which is to sell, afford or permit on-premises sexual stimulation or sexual liaisons including a massage parlor; (b) which permits or presents obscene, nude or semi-nude performances or modeling; (e) which sells, affords or permits body massages, whether or not of a sexual nature other than in connection with a spa or salon or gym; (d) which sells "rubber goods" or other sexual or erotic products of a type not commonly found in high-quality,

national chain pharmacies; (e) which sells, rents or permits the viewing of X rated video, photographs, books or other material; provided, however, that Unit Owners may use or case portions of their Units to (x) stores or newspaper or magazine vendors who may stock "adult" magazines or books as an incidental part of such store's or vendor's business (provided such "adult" magazines or books are discreetly displayed) and/or (y) cafes or storefronts providing computer use or internet access (provided such services are not principally geared to providing access to pornographic sites) and/or (z) stores or store-fronts offering relaxation or stress-reduction services not requiring the removal of articles of clothing (other than shoes and outerwear);

23. Any gambling facility or operation; provided, however, that Unit Owners may use or lease portions of their Units to stores or newspaper or magazine vendors who may sell "lotto " or other governmentally sponsored lottery type tickets to the general public;
24. Any training facility for the general public (as opposed to on-site training of employees), including any beauty schools, barber colleges, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided, however, that a Unit Owner may use or lease a portion of its Unit for such purposes if such facility(ies), together with the floor area used or leased by such Unit Owner for office uses, occupy(ies) in the aggregate not more than fifteen percent (15%) of the Floor Area of such Unit;
25. Any welfare or homeless shelter, soup kitchen, food pantry or settlement house;
26. Any office, store, reading room, headquarters, center or other facility whose principal purpose is the promotion, advancement, representation, or opposing of (a) any political party, political movement or political candidate, (b) any religion, religious group or religious denomination, or (c) foreign government;
27. Any check cashing facility, other than a bank;
28. Any use whereby the proposed Unit Owner (excluding a tenant thereof), or the principal thereof, is entitled to diplomatic immunity;
29. Any tanning, health, exercise or racquet club or spa, gymnasium or other sports or recreational facility (except those that are ancillary to the main use of a Unit and that are used principally for servicing Unit Owner's employees and invitees, or that involve low impact activities such as yoga, Pilates, tai chi or similar);
30. Any government offices used as service centers requiring the public to appear, including, without limitation, welfare, motor vehicle, unemployment offices or courts;
31. Any drug or alcohol rehabilitation center or clinic or facility for the treatment of any form of addiction or psychological or psychiatric disorders;
32. Any facility housing or treating criminal persons; or
33. Any gun store or firing range.

EXHIBIT C

Signage Specifications for Commercial Units

[TO BE INSERTED PRIOR TO RECORDING]

EXHIBIT 8

CERTIFICATIONS

8A Sponsor and Principal

8B Sponsor's Architect

8C Sponsor's Expert Concerning Adequacy of Budget

8D Sponsor's Expert Concerning Adequacy of Common Charges Payable by the Non-Residential Unit Owners

EXHIBIT 8A

SPONSOR AND PRINCIPAL

CERTIFICATION OF SPONSOR AND PRINCIPALS

April 12, 2021

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

Re: 1165 Madison Avenue Condominium
1165 Madison Avenue, New York, New York 10028

The undersigned hereby certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of article 23-A of the General Business Law, the regulations promulgated by the Department of Law in 13 NYCRR Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification.

We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on April 12, 2021.

SPONSOR:

1165 Madison Ave Owner LLC

By: _____
Name: Michael Naftali
Title: Authorized Signatory

SPONSOR'S PRINCIPAL:

_____
Michael Naftali

EXHIBIT 8B

SPONSOR'S ENGINEER (OR ARCHITECT)

SLCE Architects, LLP
1359 Broadway
New York, New York 10018

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

August 04, 2021

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

Re: 1165 Madison Avenue Condominium
1165 Madison Avenue, New York, New York 10028

The undersigned, a licensed architect in the State of New York, hereby certifies as follows:

The sponsor of the condominium offering plan for the captioned property (the "Property") retained our firm to prepare a report describing the construction of the Property (the "Report"). We have examined the building plans and specifications, dated as of July 7, 2021, that were prepared by SLCE Architects, LLC that were submitted on April 30, 2021 to the Department of Buildings and prepared the Report, dated as of August 4, 2021.

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 the construction, provided the 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 the construction, provided that the construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the 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.

SLCE Architects, LLP

By:



Name: James Davidson
Title: Partner

Sworn to before me this
6th day of August, 2021

Notary Public

MARICELLE M PILAO
Notary Public, State of New York
No. 01PI6398678
Qualified in Richmond County
Commission Expires October 7, 2023

EXHIBIT 8C

SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

EXHIBIT A-3

Century Management Services, Inc.
440 Ninth Ave, Suite 1500
NEW YORK, NY 10001

CERTIFICATION OF SPONSOR'S EXPERT ON ADEQUACY OF CONDOMINIUM BUDGET PURSUANT TO SECTION 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 23, 2021

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

Re: 1165 Madison Avenue Condominium
1165 Madison Avenue Condominium, New York, New York 10028

The undersigned, Century Management Services, Inc., is a licensed real estate brokerage/management firm in the State of New York. Century Management Services Inc. has been engaged in the management of multiple condominium, cooperative and residential rental properties over the course of many years.

The sponsor of the condominium offering plan for the above captioned property retained us to review Schedule B (the "Schedule B") to the Offering Plan, containing projections of income and expenses of the for the projected first year of operation commencing on July 1st, 2023 and ending on June 30th, 2024 (the "First Year of Operation").

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule B.

We have reviewed the Schedule B and investigated the facts set forth in the Schedule B and the facts underlying them with due diligence in order to form a basis for this certification. We also have relied on our experience in managing mixed use and residential buildings in New York City.

We certify that the projections in the Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for First Year of Operation.

We certify that the Schedule B:

(i) sets forth in detail the projection of income and expenses for the First Year of Operation;

(ii) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the First Year of Operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the 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 and expenses for the First Year of 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.

Century Management Services, Inc.

By: _____
Jacob Sirotkin
Vice President

Sworn to before me this
23 day of February, 2021

_____
Notary Public
CAROLYN REYES
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RE6180386
Qualified in Nassau County
My Commission Expires 07-12-2024

EXHIBIT 8D

SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

Exhibit A-4

Century Management Services, Inc.
440 Ninth Ave, Suite 1500
NEW YORK, NY 10001

CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

February 23, 2021

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

Re: 1165 Madison Avenue Condominium
1165 Madison Avenue Condominium, New York, New York 10028

The undersigned, Century Management Services, Inc., is a licensed real estate brokerage/management firm in the State of New York. Century Management Services Inc. has been engaged in the management of multiple condominium, cooperative and residential rental properties over the course of many years.

The sponsor of the condominium Offering Plan for the above captioned property retained us to review Schedule B (the "Schedule B") to the offering plan, which includes projections of common charges payable by the owners of the Commercial Unit for the projected first year of operation commencing on July 1st 2023 and ending on June 30th 2024 (the "First Year of Operation").

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Commercial Unit listed in Schedule B.

We have reviewed the Schedule B as it impacts upon the Commercial Unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and commercial buildings.

We certify that the projections in Schedule B for common charges payable by the owners of Commercial Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Commercial Unit for the First Year of Operation, and that the allocation of common charges attributable to the Commercial Unit also reflects the special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in the Schedule B for the common charges payable by the owners of the Commercial Unit:

(i) set forth in detail the projected common charges for the Commercial Unit for the First Year of Operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial for the First Year of Operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the Commercial Unit for the First Year of 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.

Century Management Services, Inc.

By: _____
Jacob Sirotkin
Vice President

Sworn to before me this
23 day of February 2021

_____
Notary Public

CAROLYN REYES
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RE6180386
Qualified in Nassau County
My Commission Expires 07-12-2024

EXHIBIT 9

FORM OF STORAGE BIN LICENSE AGREEMENT AND ASSIGNMENT AND ASSUMPTION AGREEMENT

STORAGE BIN LICENSE AGREEMENT

STORAGE BIN LICENSE AGREEMENT made this ___ day of _____, 20__ ("Agreement") by and between 1165 Madison Ave Owner LLC, having an office c/o The Naftali Group, 152 West 57th Street, 45th Floor, New York, New York Holland & Knight ("Sponsor"), the Board of 1165 Madison Avenue Condominium, on behalf of all Unit Owners, having an address at 10391045 Madison Avenue, New York, New York 10028 (the "Board") (together, Sponsor and the Board are sometimes referred to as "Licensor"), and _____ having an address at 1165 Madison Avenue, Unit ___, New York, New York 10028 ("Licensee");

WHEREAS, 1165 Madison Avenue Condominium ("Condominium") is governed by a certain Declaration of Condominium dated as of _____, 20__, recorded in the New York County Office of the Register of the City of New York on _____, 20__ as CRFN _____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to as the "Condominium Documents"); and

WHEREAS, there are storage bins ("Storage Bins") that have been installed for use by permitted Residential Unit Owners, located on the Subcellar Floor of the Building, which are Residential Common Elements; and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Unit ___ in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use (subject to the Condominium Documents) of Storage Bin #___ for so long as Licensee owns a Residential Unit in the Condominium (the "License");

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a License for the exclusive use of Storage Bin #___ (the "Licensed Area") and Licensee hereby accepts such License from Licensor for a term commencing on the date hereof, subject to the terms and conditions hereof and of the Condominium Documents.

2. Licensee shall pay a monthly license fee to the Condominium in accordance with the Condominium Documents, which fee may be increased by the Condominium Board from time to time and as set forth therein. The Condominium Board shall have, without limitation, the same rights and remedies with respect to the collection of such license fees as it does with respect to the Common Charges.

3. The Licensed Area may only be used for resident storage. Licensee shall not use the Licensed Area as a dwelling space or for storing property which (a) constitutes an inflammable,

combustible, explosive or other dangerous item; (b) has an objectionable odor; or (c) is deemed by Sponsor or the Condominium Board, in either's sole and absolute discretion, not to be in conformity with the general welfare of the Building. Licensee shall not (a) interfere with another licensee of Licensor in connection with the access to or use of its Storage Bin; (b) allow any other person to use the Licensed Area except in accordance with the terms hereof; or (c) deface, damage or alter the Building or the Common Elements. Licensee shall, at all times, use the Licensed Space only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Licensed Area.

4. This License may be assigned by Licensee at any time provided: (i) the assignee is a Residential Unit Owner of a Residential Unit at the Condominium and assumes the obligations hereunder pursuant to an assignment and assumption agreement in the form annexed hereto, (ii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time (which assignment shall require and be effective only upon the consent of the Condominium Board, which consent shall be granted provided the terms of this paragraph 4 have otherwise been complied with), and (iii) no outstanding monies are owed to Sponsor and/or the Condominium by the Licensee and/or the assignee. Neither Sponsor nor the Board shall have any liability or obligation with respect to a private assignment of this License. If at any time Licensee sells his or her Residential Unit and no longer owns any Residential Unit in the Building, he or she shall simultaneously assign this License to another owner of a Residential Unit, and he or she fails to do so, this License shall automatically terminate without any action or notice required by the Board at such time as the Licensee no longer owns a Residential Unit. If this License is terminated pursuant to the immediately preceding sentence or otherwise by the Board pursuant to this Agreement, or if Licensee surrenders this License without assigning it to another Residential Unit Owner, the Board shall have the right to take possession of the same and/or issue a new Storage Bin License for the Licensed Area upon terms and conditions determined in its sole discretion and without compensation to Licensee. Notwithstanding the foregoing, a Licensee may permit the use of its Storage Bin by a permitted tenant or occupant of such Storage Bin Licensee's Unit, provided that such Storage Bin Licensee shall remain liable hereunder and under the Plan, that such right to use shall automatically terminate upon the expiration or earlier termination of the permitted tenancy or occupancy of such Unit, and in no event shall such tenant or occupant be permitted to further assign such rights.

5. Licensee represents that it has made a thorough inspection of the Licensed Area and agrees to take same in its "as is" condition as of the date of this Agreement. Licensee shall throughout the term of this Agreement take good care of and maintain the Licensed Area. All repairs and replacements to the Storage Bins, as well as any rooms or spaces in which such Storage Bins are located, shall be performed by the Board and the cost thereof shall be a Common Expense (as defined in the By-Laws), unless such repair or replacement is necessitated by the negligence, misuse, or abuse of Licensee, then the entire cost and expense of such repair or replacement shall be borne by Licensee.

6. Neither Licensor nor the respective agents or employees of such Licensor shall be liable for any theft or damage to any property stored in the Licensed Area.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium Documents: (i) deny access to and use of the Licensed Area until Licensee cures such default, or (ii) terminate this Agreement upon thirty (30) days written notice to Licensee.

9. Licensor or its agents shall have the right, but not the obligation, to open the Licensed Area or to demand prompt removal of Licensee's items from the Licensed Area for a temporary period of time without compensation to Licensee in order to access all portions of the Storage Area in an emergency at any time, and, at other reasonable times upon prior notice to Licensee (to the extent the same affected the Licensed Area), to inspect and examine the Storage Area which may be occupied by the Licensed Area and to make such repairs, replacements and improvements in portions of the Storage Area which may be occupied by the Licensed Area, as Licensor shall deem necessary.

10. This Agreement shall constitute a license only and shall not be construed under any circumstances to be a sale of the Licensed Area or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Licensor and the Licensee with respect to this Agreement or otherwise.

11. Licensee shall indemnify and hold Sponsor and the Condominium Board, as Licensor, and the Condominium's managing agent and their respective directors, officers, partners, parent and subsidiary and affiliated companies, agents and employees, harmless from and against any and all liabilities, claims, causes of action, damages, lawsuits, penalties, judgments, and liens, together with any related costs and expenses, including, but not limited to, reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with this License.

12. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements incurred by Licensor in defending or enforcing the rights of Licensor under this Agreement or, in the event Licensee defaults under this Agreement, enforcing Licensee's obligations hereunder.

13. This Agreement and the License, and use and ownership of Licensed Areas, are also subject to pertinent provisions of all Condominium governing documents, including, but not limited to the Condominium Declaration, the Condominium By-Laws, including but not limited to Section 6.10 of the such By-Laws, and to such Residential Rules and Regulations as may be adopted by the Condominium Board with regard to Storage Bins and Storage Bin Licenses.

14. In the event this Agreement is terminated hereunder, Licensee shall remove its belongings from the Licensed Area and surrender possession of the Licensed Area. Any property not removed from the Licensed Area at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensor. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

15. Licensee shall at all times maintain, in full force and effect, insurance covering both the property stored in the Licensed Area, as may be determined by the Condominium Board from time to time. Licensee further agrees to a waiver of its insurer's right of subrogation against Licensor.

16. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

17. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

18. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

19. 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.

20. Any failure by the Licensor to insist upon strict performance by Licensee of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Agreement to be performed by Licensee.

21. From and after the initial issuance of this License, with respect to all liabilities and obligations of Licensor, Licensee shall look only to the Condominium Board and not to Sponsor with regard to fulfillment of such obligations. After issuance of this License to Licensee, neither the Condominium Board nor Licensee shall have any rights or recourse against Sponsor whatsoever in connection with the obligations of Licensor hereunder or any other matter in connection with the Storage Area or the Licensed Area.

22. Capitalized terms utilized and not otherwise defined herein shall have the meanings ascribed to them in the Condominium Documents.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

Agreed to and Acknowledged by

LICENSOR:

BOARD OF
1165 Madison Avenue Condominium

By: _____
Name:
Title:

1165 Madison Ave Owner LLC

By: _____
Name: _____
Title:

LICENSEE:

By: _____

By: _____

ASSIGNMENT AND ASSUMPTION
OF STORAGE BIN LICENSE AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE BIN LICENSE AGREEMENT made as of the _____ day of _____, 20__ by and between _____ (hereinafter referred to as the "Assignor"), having an address at _____, New York, New York _____, and _____ (hereinafter referred to as the "Assignee"), having an address at _____, New York, New York _____.

W I T N E S S E T H:

WHEREAS, Assignor executed a certain Storage Bin License Agreement dated _____ _____, 201__ (the "Agreement") to have the exclusive right (the "License") to use Storage Bin # ___ located at 1165 Madison Avenue Condominium located at 1165 Madison Avenue, New York, New York 10028, in accordance with the terms of the Condominium Documents, as described in said Agreement; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Agreement and the License granted therein; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Agreement; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment;

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 the Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Agreement and the 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 Agreement as if Assignee had signed the Agreement 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 Storage Bin # ____ (the "Licensed Area").

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto and approved by the Condominium Board, in accordance with the terms of the Condominium Documents and the Agreement. Neither

Sponsor nor the Board shall have any liability or obligation with respect to this assignment of the License

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 Bin License Agreement on the day and year first above written.

ASSIGNOR:

_____

ASSIGNEE:

_____

APPROVED BY

BOARD OF
1165 Madison Avenue Condominium

By: _____

Name: _____

Title: _____

EXHIBIT 10

RPL SECTION 339-KK

§ 339-kk Real Prop. 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 (60) 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 has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the 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.

EXHIBIT 11

FORM OF INTERIM LEASE

INTERIM LEASE AGREEMENT

SELLER:	1165 Madison Ave Owner LLC c/o The Naftali Group 152 West 57th Street, 45th Floor New York, New York Holland & Knight
PURCHASER:	
UNIT:	Unit 1165 Madison Avenue Condominium 1165 Madison Avenue New York, New York 10028
DATE:	As of _____ _____, 20____.

WHEREAS, Purchaser has agreed to purchase Unit _____ (the "Unit") at 1165 Madison Avenue Condominium, 1165 Madison Avenue, New York, New York 10028 (the "Condominium") pursuant to an Agreement between Purchaser and Seller, dated as of _____ _____, 20___ (the "Contract").

WHEREAS, Purchaser wishes to occupy the Unit prior to the closing of title to the Unit (the "Closing") and, subject to the terms and conditions set forth herein, Seller has agreed to such occupancy.

NOW, THEREFORE, Purchaser and Seller hereby agree as follows:

1. Purchaser may occupy the Unit subject to the terms of this Interim Lease Agreement (this "Agreement") commencing as of ___, 20__ (the "Possession Date").

2. The term of this Agreement shall continue until the closing of the Unit. Purchaser has no other interest in the Unit except as expressly set forth herein or in the Contract.

3. Purchaser shall pay Seller monthly use and occupancy at the address set forth above, or at such other address as Seller may direct, in the amount of $ _____, subject to the terms of Section 9 below; provided, however, that the first month's use and occupancy is due and payable as of the date hereof and shall be paid to Seller together with the delivery of this Agreement as executed by Purchaser, or as Seller may otherwise direct. Any additional monthly use and occupancy payment shall be due and payable on or before the _____ day of such month. At Closing, Seller and Purchaser shall make adjustments for use and occupancy payments on a per diem basis.

4. In the event that Purchaser defaults under the Contract, and such default is not cured within 30 days of written notice, this will constitute a default hereunder, entitling Seller, at its sole option, to immediately terminate the lease, whereupon Purchaser shall vacate the Unit within 10 days thereafter (the "Default Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Default Vacate Date. Additionally, in the event Purchaser rescinds the Contract pursuant to any right of rescission granted under the offering plan with respect to the Condominium, as

amended, this Agreement shall be deemed terminated as of the date that is thirty (30) days from Sponsor's receipt of notice of rescission, and Purchaser shall be obligated to vacate the Unit and surrender the Unit to Seller in the condition he received same no later than that date (the "Rescission Vacate Date"), TIME BEING OF THE ESSENCE with respect to such Rescission Vacate Date. The term "Vacate Date" as used herein shall mean the Default Vacate Date or the Rescission Vacate Date, as the case may be.

5. In the event Purchaser remains in possession of the Unit beyond the Vacate Date, then Purchaser shall be immediately obligated to pay to Seller an amount equal to $____ per day (the "Per Diem Charge") beginning on the day after the Vacate Date through and including the date that Purchaser vacates and surrenders the Unit in the condition required herein. In no event shall any provision hereof be construed as permitting Purchaser to hold over in possession of the Unit after the Vacate Date or as limiting Seller's rights and remedies in respect of same, all of which are expressly reserved.

6. Without limiting any of Seller's rights contained herein, in the event that Purchaser shall fail to vacate the Unit on or before the Vacate Date, Seller shall have any and all rights at law, in equity or otherwise, to evict and/or remove Purchaser and recover possession of the Unit, and Purchaser hereby waives any and all rights to interpose any counterclaims, defenses, or offsets to such eviction action or proceeding or to seek a stay of the warrant of eviction issued therein. Purchaser shall reimburse Seller for all expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees) incurred by Seller in connection with such eviction or other proceedings.

7. Without limiting the foregoing, if Seller brings an action or proceeding relating to this Agreement, at law or in equity, Seller shall be entitled to any and all actual third party costs and/or expenses (including, without limitation, reasonable attorneys' fees and disbursements and reasonable expert fees).

8. Purchaser shall be responsible for obtaining and paying directly for all utilities costs including, without limitation, all electric, gas, telephone and cable charges attributable to Purchaser's usage of such services in the Unit during the term, and Purchaser shall indemnify Seller for all such costs. The provisions of this paragraph shall survive the Closing and Vacate Date, as applicable.

9. Any default by Purchaser hereunder shall constitute a default by Purchaser under the Contract; provided, however, that with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, Purchaser's shall have the right to cure same within five (5) business days following the due date therefor. Notwithstanding anything to the contrary, this Agreement shall automatically terminate upon the sooner to occur of (i) the Closing or (ii) Purchaser's default hereunder (subject, with respect to a default in the payment of use and occupancy following the initial use and occupancy payment, to Purchaser's right to cure same within five (5) business days following the due date therefor).

10. Purchaser shall not make any alterations, additions, installations or improvements to the Unit during the term of this Agreement, provided that the foregoing shall not be deemed to prohibit Purchaser from placing Purchaser's furniture and other personal property in the Unit

during the term hereof. Upon the termination of this Agreement for any reason other than the Closing, Purchaser shall remove all such furniture and personal property, shall repair all damage caused thereby, and shall vacate the Unit in broom-clean condition. Any personal property not removed may, at Seller's election, be retained by Seller without compensation to Purchaser, or removed at Purchaser's expense. The provisions of this paragraph shall survive any termination of this Agreement.

11. Seller shall not be responsible for any damages arising from any bodily injury to Purchaser or Purchaser's guests or invitees or any damage to or loss of any of the property of Purchaser or of Purchaser's guests or invitees occurring in the Unit. Purchaser agrees to indemnify and to hold Seller harmless from and against any and all claims, suits, demands, judgments, and costs (including attorneys' fees) that may be made against Seller arising from or connected with Purchaser's occupancy of the Unit. The provisions of this paragraph shall survive the termination of this Agreement.

12. Purchaser agrees to maintain personal liability, property and hazard insurance throughout the term hereof in amounts reasonably acceptable to Seller and naming Seller and the Condominium as an additional insured. During the term hereof, Purchaser shall comply with all laws, rules, regulations and requirements of governmental authorities and the Condominium pertaining to the Unit and Purchaser's use and occupancy thereof. Purchaser shall deliver insurance certificates evidencing such coverage to Seller prior to Purchaser's taking occupancy of the Unit.

13. Purchaser hereby agrees to accept possession of the Unit in its "as-is, where-is" condition for purposes of this Agreement; provided, however, that Seller agrees to deliver the Unit in broom-clean condition. Purchaser shall be liable for any and all damage caused to the Unit during Purchaser's possession thereof.

14. Purchaser is advised that the Condominium is a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Building, including within all Residential Units, on Terraces appurtenant to Residential Units, and in all common areas of the Building. Outside of the Building, Smoking shall only be permitted within designated smoking areas located at least 25 feet from all entries, outdoor air intakes and operable windows; appropriate signage will be installed and maintained at all Building entrances to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Board under Section 6.19 of the By-Laws, including, without limitation, the imposition of fines and penalties as the Board may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Board. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

15. Any notice hereunder shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail, or by reputable overnight courier, with receipt confirmed, to Purchaser at the address given at the beginning of this Agreement and to Seller at the address given at the beginning of this Agreement, with a copy sent in like manner to Holland & Knight

LLP, 31 West 52nd Street, New York, New York Holland & Knight, Attn: Stuart M. Saft, Esq., in the same manner as notice is given to Seller, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself. A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in any way invalidate such communication.

16. Nothing in this Agreement shall be construed as creating a landlord/tenant relationship between Purchaser and Seller.

17. This Agreement may not be modified or its provisions waived except by a writing signed by the parties hereto.

18. The Offering Plan (the "Plan") for the Condominium is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Seller and Purchaser, in which case such modifications will govern.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SELLER:

1165 Madison Ave Owner LLC

By: _____
Name:
Title:

PURCHASER:

_____