32 W 39
NEW YORK, NY

COMMERCIAL CONDOMINIUM OFFERING PLAN

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET

32 WEST 39TH STREET
NEW YORK, NEW YORK 10018
COUNTY OF NEW YORK

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13 Office Units: $72,877,425

Total Offering Amount..... $72,877,425

The Condominium will also include 3 Retail Units, and a Storage Unit which are not being offered for sale.

SPONSOR:

32 W 39th Street Sole Member LLC
28 West 36th Street, Suite 301
New York, New York 10018

SELLING AGENT:

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

Filing Date of this Offering Plan: _____, 202___. This Offering Plan may not be used _____, 202___, unless this Offering Plan is extended by amendment.

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

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

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

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PART I

COMMERCIAL CONDOMINIUM OFFERING PLAN

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET
32 WEST 39TH STREET
NEW YORK, NEW YORK 10018
COUNTY OF NEW YORK

SPECIAL RISKS

Purchase of a Condominium Unit

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

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

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

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

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

(f) If Sponsor obtains the consent of each affected Purchaser and makes an application to the Department of Law to withdraw the Deposits from escrow and secures the Deposits with a Letter of Credit or Surety Bond and such application is approved by the Department of Law, following such withdrawal, no interest will be earned on the Deposits. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

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

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

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

Sponsor's Right to Rent Unsold Units

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

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

(c) Sponsor reserves the unconditional right to make Bulk Sales of Units.

Closing Fees

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

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

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

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

Sponsor Control of the Condominium Board

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

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

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

Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law, (ii) remedy any notice of violation, (iii) remedy any work order of the Condominium's insurer, or (iv) ensure the health and safety of the occupants of the Condominium.

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

Reserve Fund and Working Capital Fund

5. (a) Schedule B - Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. For so long as Sponsor continues to own at least 1 Unsold Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. The Reserve Fund may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

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

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

Foreign Government Purchaser

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

Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

No Bond or Other Security Posted

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

Use of Units

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

(b) As more particularly set forth in the By-Laws, No Office Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Office Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in subsection (D) hereof and the days and hours during which any such work may be done. The Condominium may impose charges upon the Office Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Office Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(c) Subject to the approval by the Condominium Board in each instance, not to be unreasonably withheld, conditioned, or delayed, and provided that all the following alterations, additions, improvements or repairs are in compliance with Law and the terms of the Declaration and By-Laws, each Retail Unit Owner shall have the right, at such Retail Unit Owner's sole cost and expense (i) to erect, maintain, repair and replace one or more signs and lighting of such size and content as the Condominium Board may approve, not to be unreasonably withheld, conditioned, or delayed, in the storefronts and windows of such Unit for the purposes of advertising the sale or rental of all or any portion of a Unit or the operation of

any business conducted in the Retail Unit, and (ii) to use the sidewalks adjacent to such Retail Unit (if any) for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks. In the event a Retail Unit Owner utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Retail Unit Owner.

(d) Each Retail Unit may be combined or subdivided by the Retail Unit Owner into two or more separate condominium units without prior notice and without amendment to the Plan. Any additional condominium units created as a result of a subdivision of a Retail Unit may be offered for sale at any time by a duly filed amendment to the Plan. Additionally, any Retail Unit created as a result of such subdivision will retain the same rights afforded the Retail Unit Owners as set forth herein.

(e) Each Retail Unit Owner shall have the right and easement (i) for ingress and egress through all Common Elements for the purpose of accessing any portion of such Retail Unit or any portions of the Building servicing such Retail Unit; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law in the storefronts and windows of such Retail Unit for the purposes of advertising the sale or lease of all or any portion of such Retail Unit and/or operation of any business of a tenant or occupant of such Retail Unit. Each Retail Unit Owner shall each be entitled to utilize such rights and easements for their own account or the account of their respective Permitted Users.

(f) Each Retail Unit Owner (subject to Sponsor's prior written consent in all instances) shall have the right, but not the obligation, at such Retail Unit Owner’s sole cost and expense to alter, modify, and/or restore the exterior façade of the Building abutting such Retail Unit (including storefronts and windows of such Retail Unit) and to create additional means of egress and ingress to such Retail Unit, provided that such alterations, modifications and/or restorations are in compliance with Law and do not adversely affect the structural integrating or mechanical systems of the Building.

(e) See the Section of the Plan entitled “Retail Units” for details.

Special Allocation of Certain Common Expenses

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

Apportionments with the Condominium

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

Window Treatments

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

Effectiveness of the Plan

12. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e., 2 Units based on 13 Units offered for Sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing (regardless of whether the Declaration has been recorded), Sponsor must re-declare the Plan effective by submission of an amendment to the Department of Law. See the Section of the Plan entitled "Effective Date" for details.

First Closing and Subsequent Closings

13. The Sponsor anticipates that the First Closing of a Unit will occur on or around July 1, 2023. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

Purchase Agreement Not Contingent on Financing

14. Although a Purchaser may obtain financing from any lending institution or other source, the obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her Deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution and may want to finalize their financing arrangements before execution of a Purchase Agreement. No

representation is made by Sponsor or Selling Agent as to the availability, cost or terms of such financing. While the First Closing is projected to occur on or around July 1, 2023, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment. See the Section of the Plan entitled "Procedure to Purchase" for details.

Special Rights of Sponsor

15. (a) Sponsor and its Permitted Users shall have an exclusive right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, any signage on the façade of the Building, or other similar installations, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for the purposes of installing any such equipment, signage or other installation identified in subsection (i) above, including, without limitation, the right to erect, install, maintain, replace and/or repair any sign and/or lighting permitted by Law on any portion of the Property, for the purposes of advertising the sale or lease of any Unit, the operation of any business conducted in any Unit, or any type of third-party advertising whether for profit or otherwise. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners, and/or their respective Permitted Users. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building, or any portion of the Common Elements, shall be the obligation of Sponsor and not of the Condominium, and any rights or benefits of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the rights or benefits of Sponsor, and not of the Condominium or any other Unit Owner. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

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

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner's obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the closing notice or closing statement to Purchasers as well as in the post-closing amendment to the Plan. In the event that the term of the Waiver Period has not already been disclosed, Sponsor shall notify all Unit Owners by written notice of the expiration of the Waiver Period at least thirty (30) days prior to such expiration. Thereafter, such expiration of the Waiver Period shall be disclosed in the next

substantive amendment to the Plan. Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Sections of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

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

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

Lot Line Windows

16. Lot line windows exist on the east façade of the Building. Purchasers should refer to the Description of Property and Improvements set forth in Part II of the Plan for the specific Office Units containing lot line windows. Lot line windows are windows located on an exterior wall abutting a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Office Unit, they are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, as of the date of the Plan should not exceed approximately $3,000 per window and shall be borne by the affected Office Unit Owner (including Sponsor with respect to Unsold Office Units). Sponsor makes no representation that this cost will not increase in the future. Neither Sponsor, Sponsor's architect, the Condominium Board or any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Noise from Mechanical Equipment

17. The Building contains certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, air handling units and domestic water tanks (collectively, "Equipment") located on the mezzanine floor, 3rd floor, 6th floor, 10th floor, 11th floor, 15th floor and roof. While Sponsor is endeavoring to reduce excessive noise and vibration emanating from the Equipment, which noise and vibration levels will be in compliance with Law and applicable codes, it may be impossible to eliminate it entirely and, therefore, Units and Common Elements in close proximity may be affected. Purchasers should note that subsequent to the First Closing, the Condominium Board will be responsible for the proper upkeep and maintenance of such Equipment in accordance with Law.

Future Construction

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

Unit Measurements

19. (a) The square footages of the Units listed in Schedule A represent sellable square footages. With respect to the Units, the square footages set forth in Schedule A exceed the square footages set forth in Exhibit B to the Declaration. The square footages in Schedule A and those in Exhibit B to the Declaration exceed the usable floor area of each Unit as is customary in New York City.

(b) The square footages set forth in Exhibit B to the Declaration are approximate and may change due to field conditions, construction variances and tolerances. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. In the absence of such proof to the contrary, if the net square footage of the Unit, as set forth in Exhibit B to the Declaration, is decreased by more than 5%, Sponsor's sole obligation shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon.

(c) Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are not deducted from the measurement of each Unit) to the centerline of the demising partitions separating one Unit from another Unit; stairwell, corridors and elevator shaft walls, or to the centerline of mechanical shafts, or to the unit side face of the concrete shear walls of the elevators or stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling; provided that where a Unit consists of two or more contiguous floors, the Unit is measured from the top of the concrete floor of the lowest floor to the underside of the concrete ceiling of the highest floor. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit.

Lead-Based Paint and/or Lead-Based Hazards

20. (a) Under applicable federal and local law, lead-based paint can no longer be used in the construction of a building. Under federal law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. According to the "Description of Property and Improvements" in Part II of the Plan, the Building was constructed in 1925. Buildings constructed prior to 1979 may contain lead paint and buildings constructed before 1960 are presumed to contain lead paint. In accordance with the terms of the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. (See Section of the Plan entitled "Description of Property and Improvements".)

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

the Sections of the Plan entitled "Sponsor's Statement of Building Condition" and the Purchase Agreement set forth in Part II of the Plan for further details.)

Excess Development Rights

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

Marketing Materials

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

Post Closing Restrictions

23. (a) A Unit Owner who acquired title to the Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Unit for sale. A Unit Owner's breach of these provisions may result in, among other things, Sponsor bringing a legal claim against such Unit Owner for damages.

(b) Each Unit Owner who acquired a Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to resell the Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor a portion of the proceeds of the Resale ("Resale Fee") irrespective of when the closing of title actually occurs. Such Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee is to be paid to Sponsor Lender and shall be so long as the Sponsor Loan is outstanding and thereafter to Sponsor. The Resale Fee is to be paid at the closing of the Resale and shall be equal to 50% of the difference between: (A) the sales price of the Unit as set forth in the Resale Agreement less the following expenses actually paid for by the Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 1.5% in the aggregate; (2) transfer taxes imposed

by Law, if paid for by the Unit Owner, and (3) actual legal fees not exceeding $5,000; and (B) the Purchase Price paid to Sponsor in connection with the Sponsor Sale. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" and the By-laws for further details.)

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

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

Insurance

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

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

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

Principal of Sponsor

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

Façade Inspection Safety Program

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

Occupancy of Terraces

28. The terrace on the 6th floor and the roof terrace are currently designated as general common elements and may not be legally occupied currently. Sponsor reserves the right to change the designation of either or both such terraces to limited common element terraces in the future. In order to legally occupy either terrace, it is anticipated that the Unit Owner may be required to perform certain work and submit an Alt-CO application to the DOB. Until such terraces may be legally occupied, use thereof for purposes other than maintenance may result in the building being issued a violation by the DOB. Sponsor will not undertake the work necessary to make either terrace legally occupiable nor seek to obtain DOB approvals relating thereto. Additionally, Sponsor in no way represents, guarantees or warrants that DOB will approve the above-described Alt-CO application or that legal occupancy of either terrace is achievable.

Description of Property and Improvements Special Risks

29. (a) **Purchasers are advised to carefully review the entirety of the Description of Property and Improvements set forth in Part II of the Plan, including Section V entitled "Violations" and Section CC, entitled "special risks."** The Description of Property and Improvements details the condition of the Building and its systems. Other than improvements to certain capital systems as noted in the Description of Property and Improvements, Sponsor has not performed any renovations and does not presently intend to do so in the future. In Section V, Sponsor's Architect notes certain open violations. In Section CC, based on a visual inspection, Sponsor's Architect notes a number of special risks concerning the Building, noting at the outset that the Building is an existing building that is close to 100 years old (built in 1925) with certain aging systems and equipment. Sponsor is in the process of consulting with its construction professionals, including the Architect, regarding the violations and special risks to determine the necessity and urgency to remediate same. Based on the opinion of its construction professionals, Sponsor will determine whether to undertake any work to remedy such violations and special risks at its cost and expense. Sponsor makes no affirmative representation or guarantee that it will undertake any such work. Purchasers are advised to consult with their attorney, lender and/or title company regarding the pending violations and special risks to determine the impact, if any, on Purchasers' ability to close title to their respective Unit.

(b) The insulation size, type and insulating R-value of the roof is unknown based on visual inspection and no investigation will be performed to determine same. It is unknown whether there is a bond, guarantee or warranty covering the roof.

(c) There is no central cooling system. Cooling for the Building's lobby is provided by a Daikin model RXTQ36TAVJU condensing unit located on the third-floor setback roof. The Daikin unit is in fair condition. Warranty information on the unit is unknown. Cooling for the Office Units is provided via a mix of individual packaged ducted air handling units and split system units, and one air-cooled package unit that are controlled via thermostats. The units vary in age, manufacturer, condition, and anticipated remaining lifespan. Warranty information is unknown. No representation is made regarding the various units' adequacy to maintain comfortable conditions. Purchasers are advised to inspect the units for condition and to ensure adequacy. The existing A.L. Eastmond & Sons boiler was built in 1984 and existing Industrial Combustion Burner (Circa 1984) are past their useful lives according to ASHRAE standards. Accordingly, it is anticipated that the boiler will require ongoing repair and maintenance, and eventually, replacement. As such, the existing boiler and burner should be removed and a new boiler and burner of similar capacities should be installed. The 1080-gallon capacity oil steel tank was installed within the past two years, is not in need of repairs and has an expected remaining useful life of about 20 years according to ASHRAE. Useful life can be extended with proper maintenance. The boiler and oil tank are existing to remain as is. The energy efficiency and warranty information are unknown. The heating system appears to be able to maintain the required minimum temperature of 68° F.

Certificate of Occupancy

30. The Certificate of Occupancy covering the Building was issued by the Buildings Department on March 8, 1939. Sponsor does not currently intend to amend the Certificate of Occupancy as it relates to the conveyance of the Office Units. Purchasers are advised to consult with their attorney, lender and/or title company regarding the Certificate of Occupancy to determine the impact, if any, on Purchasers' ability to obtain financing and close title to their respective Unit.

INTRODUCTION

Nature of the Transaction

32 W 39th Street Sole Member LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on March 5, 2021 from 32 W. 39th Midtown Properties, LLC, an affiliate of Sponsor.

Sponsor presents this commercial condominium offering plan, as the same may be amended from time to time ("Plan") for the establishment of a commercial condominium to be owned cooperatively under the laws of the State of New York pursuant to the Condominium Act. The Condominium will be known as Office Condominiums at 32 West 39th Street and located at 32 West 39th Street, New York, New York 10018 ("Property").

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

The Condominium will consist of: (a) 13 office units ("Office Units") (b) 3 Retail Units ("Retail Units") and (c) 1 Storage Unit. The Office Units, the Retail Units and Storage Unit are collectively referred to as the "Units." There is no residential use in the Building and accordingly, no residential tenants are present, and none are anticipated.

The Offering Plan

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

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

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

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

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

The First Closing

It is presently anticipated that the First Closing will occur on or about July 1, 2023.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Office Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections, and if monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment containing such revised budget. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT

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

Offering of Office Units for Sale

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

The Retail Units and Storage Unit are not being offered for sale pursuant to the Plan at this time. The Retail Units and/or Storage Unit may be offered for sale in the future by a duly-filed amendment to the Plan or pursuant to a "No Action, "No Jurisdiction," or other ruling issued by the Department of Law.

Property and Office Units Sold "As Is"

The Property and Office Units are being sold completely "as is" in the conditions they exist on the date of the Purchase Agreement, subject to ordinary wear and tear. Further, Sponsor's obligations under the Plan do not include an obligation to perform any additional repairs or replacements set forth in the Description of the Property and Building Condition or otherwise. Some Office Units are occupied by tenants and some are vacant, as indicated on Schedule A. While Sponsor reserves the unconditional right to rent rather than sell Units, Sponsor will not rent until after the Plan has been consummated. See discussion regarding sales of Units with tenants under the Section entitled "Leases and Tenancies" in Part I of the Plan.

Construction Financing

As the Building is existing and fully constructed, Sponsor has not procured construction financing. In the event that Sponsor subsequently procures construction financing for renovations or otherwise, Sponsor will amend the Plan to disclose any requirements imposed by Construction Lender with respect to the sale of the Units.

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

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

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

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

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a building. Each Unit Owner will own fee title to its Unit and also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," and (ii) portions of the Building serving and benefiting the Office Units, exclusively, including for example, and without limitation, the main lobby, hallways, corridors and elevators exclusively servicing the Office Units, these Common Elements being more specifically designated as "Office Common Elements.

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

Operation of the Condominium will be vested in a Condominium Board, the members of whom will be elected by the Office Unit Owners, subject to the rights of Sponsor and the Retail Unit Owners to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." When voting for members of the Condominium Board, each Office Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Office Unit per Member to be elected. The Storage Unit Owner shall have no voting rights with respect to the Storage Unit.

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

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of Tax Counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Unit Owner using its Unit in connection with a trade or business may, subject to certain exceptions and limitations, deduct from its income, for Federal, New York State and New York City Income tax purposes, real estate taxes and the interest paid on the Unit Owner's mortgage, if any, all as discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See also the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" set forth in the Plan for details.) Purchasers should review and discuss all financial implications and projections, including the real estate tax and income tax deductions and treatment with their own tax consultants.

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

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

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

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

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Office Units, the Retail Units and the Storage Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the unanimous consent of the affected Unit Owners. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Retail Unit Owners are sufficient to cover the expenses fairly attributable to the Retail Units.

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

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

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

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

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

may only be used in compliance with Law, the then existing Certificate of Occupancy and the Declaration of Condominium and the By-Laws.

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

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

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

DEFINITIONS

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

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

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

"Building" shall mean the building located at 32 West 39th Street, New York, New York 10018.

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

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

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

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

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

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

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

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

"Condominium" shall mean the Office Condominiums at 32 West 39th Street which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Construction Lender" shall mean a Person, together with its respective successors and assigns, from whom Sponsor may opt to procure, an agreement for financing the potential renovation of the Building.

"Declarant" shall mean 32 W 39th Street Sole Member LLC and its successors and assigns.

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

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

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

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

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

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

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

drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

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

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

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

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

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

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

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

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

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

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 840, Lot 66 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

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

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

"Office Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Office Unit Owner in the Office Common Elements. The total of all Office Common Interest percentages appurtenant to all Office Units equals 100%.

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

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

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

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

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

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

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

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

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

"Plan" shall mean that certain Commercial Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Sponsor" shall mean 32 W 39th Street Sole Member LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

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

"Title Company" shall mean Landstar Title Agency Inc., having an office at 355 Lexington Avenue, 10th Floor, New York, New York 10017. (212) 991-6513, (212) 991-6514, or any successor Title Company at the time in question.

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

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

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

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

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 32 West 39th Street in the Borough of Manhattan, City and State of New York.

Improvements - General Description of Units

The Condominium consists of Office Units, the Retail Units and the Storage Unit located within a 14-story structure.

There are also various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

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

Office Units and Storage Unit

There are 13 Office Units located on Floor 2 through Floor 16, the square footages of which are set forth on Schedule A. There is 1 Storage Unit on the cellar floor, the square footage of which is set forth on Schedule A.

Purchasers should consult the Floor Plans and Description of Property and Improvements contained in Part II of the Plan for details regarding the Office Units.

Retail Units

Purchasers should refer to the Section of the Plan entitled "Retail Units" for a detailed description of the Retail Units.

First Closing Date

It is presently anticipated that the First Closing will occur on or about July 1, 2023.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Office Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections, and if monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment containing such revised budget. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing

Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

Façade Inspection Safety Program

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

Services and Facilities

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

a. Doorman/Concierge

There will be doormen and concierge stationed in the lobby 40 hours per week. The hours may be modified by the Condominium Board, in its sole discretion. The hours and duties of the doorman/concierge may be reduced until certain occupancy levels in the Condominium are achieved. However, at all times after the First Closing of an Office Unit, the lobby will be attended 40 hours a week by a doorman/concierge.

b. Building Staff

The staff of the Building will be supervised by a full-time superintendent. The staff shall be assigned such hours of duty as are necessary for the comfortable use of all Unit Owners and shall also be on call as needed during non-business hours. Purchasers should refer to the Footnotes to Schedule B for a complete description of the Building staff.

c. Elevator Service

Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the passenger elevators. Freight elevator(s) will also be available for moving in and moving out at hours and subject to use restrictions established by the Building staff.

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

d. Telecommunications

The Building is pre-wired for telephone, cable television and internet services to the Office Units. Office Unit Owners will be able to subscribe for telephone, television and internet services. Charges for activating cable television, installing and attaching appropriate receptacles, additional installations and monthly usage charges will be determined by and payable directly to the cable company by each Unit Owner subscribing for and activating such service.

e. Mail

There are no mailboxes in the Building. Mail will be delivered directly to Unit Owners.

h. Refuse Disposal

Unit Owners shall deliver refuse to the freight area on the first floor. Refuse and recycling are picked up daily by a vendor.

i. Communication Facilities and Intercom System

Each Office Unit will be equipped with an intercom telephone system which will enable the occupants to communicate directly with the concierge and/or doorman over a standard touch tone telephone. The system will not have any video capabilities. Sponsor reserves the right to substitute an alternate service to enable communication between the concierge and the occupants.

j. Smoke and Carbon Monoxide Detector/Sprinklers

Smoke and Carbon Monoxide detectors are located throughout the Building. The Building has an existing sprinkler system. Activation of any alarm, either manually or automatically, will result in the automatic transmission of an alarm signal to the Fire Department via a central office tie maintained by a monitoring service.

k. Service Entrance

There is a service entrance located on the first floor opening onto West 39th Street.

k. General

Maintenance and use of the enumerated services and facilities shall be subject to the Rules and Regulations implemented by the Condominium Board as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose fees and restrictions on hours of access and use and the right to discontinue or increase stated services as appropriate.

LOCATION AND AREA INFORMATION

Location

The Property is located at 32 West 39th Street in the Borough of Manhattan in the City and State of New York. The Property is bounded by 5th and 6th Avenues.

Transportation

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

Transportation to and from the Building, and through New York City, is available by taxi and limousine services. Public transportation is also readily available. Public buses run regularly at the Port Authority Bus Terminal on 625 8th Avenue. The number B, D, F, M and 7 local subway line stops at 42nd Street, Bryant Park providing both uptown and downtown service. In addition to the parking garage in the Building, a number of commercial parking garages are located nearby.

Municipal Services

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

The local police station is located at 357 West 35th Street, New York.

The local fire station is located at 33 West 43rd Street, New York.

Mailing Address

The mailing address for the Building is 32 West 39th Street, New York, New York 10018.

Zoning

The Property is located within a M1-6 zoning district in which light manufacturing use is permitted.

Landmark Designation

The Building does not have landmark status nor is in a landmark district.

General

Sponsor makes no representations to the continued existence of any of the named establishments or transportation lines. Additionally, no representation is made that future construction in the neighborhood surrounding the Condominium will not result in the obstruction of the views from any windows.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A – OFFERING PRICES AND RELATED INFORMATION
OFFICE CONDOMINIUMS AT 32 W. 39TH STREET
32 W. 39TH STREET, NEW YORK, NEW YORK

Unit	Vacant (V) or Leased (L)	Approx. Sellable Unit SQF	Offering Price	% of OFFICE Common Interest	% of General Common Interest	Estimated Monthly Common Charges	Estimated Annual Common Charges	Estimated Monthly Real Estate Taxes	Estimated Annual Real Estate Taxes	Estimated Monthly Total Carrying Charges	Estimated Annual Total Carrying Charges
Office 16	L	3,970	$ 4,168,500	5.3853%	4.5290%	$ 3,118.49	$ 37,421.86	$ 2,733.96	$ 32,807.52	$ 5,852.45	$ 70,229.37
Office 15	V	4,105	$ 4,310,250	5.5684%	4.6830%	$ 3,224.53	$ 38,694.39	$ 2,826.93	$ 33,923.14	$ 6,051.46	$ 72,617.52
Office 14	L	4,527	$ 4,753,350	6.1409%	5.1644%	$ 3,556.02	$ 42,672.23	$ 3,117.54	$ 37,410.49	$ 6,673.56	$ 80,082.71
Office 12	L	4,690	$ 4,690,000	6.3620%	5.3504%	$ 3,684.06	$ 44,208.69	$ 3,229.79	$ 38,757.49	$ 6,913.85	$ 82,966.19
Office 11	V	4,949	$ 4,949,000	6.7133%	5.6459%	$ 3,887.51	$ 46,650.07	$ 3,408.15	$ 40,897.83	$ 7,295.66	$ 87,547.90
Office 10	V	4,949	$ 4,825,275	6.7133%	5.6459%	$ 3,887.51	$ 46,650.07	$ 3,408.15	$ 40,897.83	$ 7,295.66	$ 87,547.90
Office 9	L	5,207	$ 4,946,650	7.0633%	5.9402%	$ 4,090.17	$ 49,082.02	$ 3,585.83	$ 43,029.91	$ 7,675.99	$ 92,111.92
Office 8	V	5,207	$ 4,946,650	7.0633%	5.9402%	$ 4,090.17	$ 49,082.02	$ 3,585.83	$ 43,029.91	$ 7,675.99	$ 92,111.92
Office 7	L	5,515	$ 5,239,250	7.4811%	6.2916%	$ 4,332.11	$ 51,985.27	$ 3,797.93	$ 45,575.18	$ 8,130.04	$ 97,560.45
Office 6	V	5,515	$ 4,963,500	7.4811%	6.2916%	$ 4,332.11	$ 51,985.27	$ 3,797.93	$ 45,575.18	$ 8,130.04	$ 97,560.45
Office 5	V	8,359	$ 8,359,000	11.3390%	9.5360%	$ 6,566.11	$ 78,793.27	$ 5,756.47	$ 69,077.59	$ 12,322.57	$ 147,870.86
Office 4	V	8,355	$ 8,355,000	11.3336%	9.5315%	$ 6,562.96	$ 78,755.57	$ 5,753.71	$ 69,044.53	$ 12,316.68	$ 147,800.10
Office 3	V	8,371	$ 8,371,000	11.3553%	9.5497%	$ 6,575.53	$ 78,906.39	$ 5,764.73	$ 69,176.76	$ 12,340.26	$ 148,083.14
Total OFFICE	**13**	**73,719**	**$ 72,877,425**	**100.0000%**	**84.0994%**	**$ 57,907.26**	**$ 694,887.11**	**$ 50,766.95**	**$ 609,203.35**	**$ 108,674.20**	**$ 1,304,090.45**
Retail 1	L	7,351	N/A		8.3861%	$ 4,357.83	$ 52,293.99	$ 5,062.30	$ 60,747.62	$ 9,420.13	$ 113,041.61
Retail 2	L	2,461	N/A		2.8075%	$ 1,458.93	$ 17,507.21	$ 1,694.78	$ 20,337.35	$ 3,153.71	$ 37,844.56
Retail 3	L	2,844	N/A		3.2445%	$ 1,685.98	$ 20,231.82	$ 1,958.53	$ 23,502.41	$ 3,644.52	$ 43,734.23
Storage Unit	V	1,282	N/A		1.4625%	$ 760.00	$ 9,119.97	$ 882.86	$ 10,594.27	$ 1,642.85	$ 19,714.23
Total RETAIL	**4**	**13,938**			**15.9006%**	**$ 8,262.75**	**$ 99,152.98**	**$ 9,598.47**	**$ 115,181.65**	**$ 17,861.22**	**$ 214,334.64**
TOTALS	**17**	**87,657**	**$ 72,877,425**	**100.0000%**	**100.0000%**	**$ 66,170.01**	**$ 794,040.09**	**$ 60,365.42**	**$ 724,385.00**	**$ 126,535.42**	**$ 1,518,425.09**

Notes to Schedule A

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

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

(b) The square footages set forth in Exhibit B to the Declaration are approximate and may change due to field conditions, construction variances and tolerances. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations under the Purchase Agreement unless such decrease is determined to be material. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit by 5% or less (excluding interior partitions) is not a material and/or adverse change. In the absence of such proof to the contrary, if the net square footage of the Unit, as set forth in Exhibit B to the Declaration, is decreased by greater than 5%, Sponsor's sole obligation shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon. Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are not deducted from the measurement of each Unit) to the centerline of the demising partitions separating one Unit from another Unit; stairwell, corridors and elevator shaft walls, or to the centerline of mechanical shafts, or to the unit side face of the concrete shear walls of the elevators or stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling; provided that where a Unit consists of two or more contiguous floors, the Unit is measured from the top of the concrete floor of the lowest floor to the underside of the concrete ceiling of the highest floor.

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

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

(b) The percentage interest of each Office Unit in the Office Common Elements is apportioned in the same proportion that the Office Unit bears to the aggregate Office Common Interests of all of the Office Units in the Condominium. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the affected Unit Owner(s).

(5) The estimated monthly Common Charges for each Unit are based on Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from July 1, 2023 - June 30, 2024. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. All Unit Owners from and after the Closing, including Sponsor with respect to all Unsold Office Units, shall be responsible for payment of all Common Charge with respect to their Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," some or all of the services and facilities described in the Plan (including, without limitation, a full staff of Building personnel) may not be available until approximately 12 months after the First Closing.

(6) The following discussion of projected real estate taxes for the First Year of Condominium Operation was based, in part, upon the opinion letter prepared by Korngold Powers LLP ("Real Estate Tax Counsel"), a copy of which is set forth in Part II of the Plan. It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will be approximately $724,385, assuming (a) an estimated taxable transition assessed valuation for the Property of $6,735,330 for the 2023/2024 tax year reflecting the assessment for a completed property, and (b) an estimated tax rate of $10.755 per $100 of assessed valuation for the Property for the 2023/2024 tax year. This tax projection does not take into account any real estate tax abatements that may be applicable to the Property at any given time.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration is recorded and the Floor Plans are filed with the Registers Office. Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Unit is officially made and a tax bill is issued by the City of New York to such Unit Owner, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit, nor will the Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit.

For purposes of Schedule A, the projected real estate taxes for the Building were apportioned among the Units based on Common Interest percentages. It is possible that the apportionment will

be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units based upon Common Interest percentages.

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

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

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

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges assessed against the Office Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE B FOOTNOTES

OFFICE CONDOMINIUMS AT 32 W. 39TH STREET
32 W. 39TH STREET, NEW YORK, NEW YORK

Projected Budget for the Projected First Year of Condominium Operation
(Note 1)
July 1, 2023 – June 30, 2024

ESTIMATED INCOME (Note 2)

Common Charges - Office Units	$694,887.11
Common Charges – Retail Units	$99,152.98
Total Estimated Income	$794,040.09

ESTIMATED EXPENSES

Payroll and Related Expenses (4)	$228,884.80
Heating Gas (Note 3)	$122,744.07
Electricity (Note 5)	$9,136.10
Water and Sewer (Note 6)	$62,525.12
Repairs, Maintenance and Supplies (Note 7)	$50,250.00
Service Contracts (Note 8)	$50,500.00
Insurance (Note 9)	$71,000.00
Management Fee (Note 10)	$78,000.00
Legal and Audit Fee (Note 11)	$13,500.00
Administrative & Other (Note 12)	$17,500.00
Contingency (Note 13)	$20,000.00
Reserve (Note 14)	$70,000.00
Total Estimated Expenses	$794,040.09

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

Allocation of Total Estimated Expenses Among
Office Units and Retail Units
(also see detailed notes which follow)

Expenses	Amount	Office Units Allocation	Retail Units Allocation
Payroll/Labor	$228,884.80	$217,440.56	$11,444.24
Gas & Oil	$122,744.07	$103,227.01	$19,517.06
Electricity	$9,136.10	$7,683.40	$1452.70
Water & Sewer	$62,525.12	$52,583.24	$9,941.88
Repairs & Maintenance	$50,250.00	$42,259.94	$7,990.06
Service Contracts	$50,5000.00	$44,624.60	$5,875.40
Insurance	$71,000.00	$59,710.57	$11,289.43
Management Fee	$78,000.00	$65,597.52	$12,402.48
Legal & Audit Fee	$13,500.00	$11,353.42	$2,146.58
Administrative	$17,500.00	$14,717.39	$2,782.61
Contingency	$20,000.00	$16,819.88	$3,180.12
Reserve	$70,000.00	$58,869.57	$11,130.43
Total	$794,040.09	$694,887.11	$99,152.98

NOTES TO SCHEDULE B

(1) Projected First Year of Condominium Operation

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

If the First Closing does not occur within 6 months of the projected First Closing, Sponsor will file an amendment to include an updated Schedule B. If such amended projections exceed original projections by 25% or more, Sponsor will offer all Purchasers who executed Purchase Agreements prior to the date of the filing of such amendment the right to rescind for a period of 15 days after the Presentation Date of the amendment. Further, if the First Closing does not occur within 12 months of the projected First Closing, Sponsor will file an extension amendment that provides for a later commencement of the First Year of Condominium Operation than initially disclosed. Purchasers who executed Purchase Agreements for the purchase of their respective Units prior to the date of filing of the extension amendment will be offered a right of rescission for a period of 15 days after the Presentation Date of the extension amendment. Any Purchaser entitled to rescission and electing rescission will have their Deposits (to the extent actually made and collected) and any interest earned thereon, returned to Purchaser.

(2) Common Charges and Misc. Income: (Office Units – 694,887.11; Retail Units - $99,152.98; Total - $794,040.09)

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

(3) Gas & Oil Heating: $122,744.07

The gas budget is based upon an estimate by HLZA, PC located at 11 West 30th Street – 3rd Floor, New York, NY 10001, dated April 26, 2022. The estimated commercial gas rates are based upon Con Ed rate structure SC-02 rate II as of April 1, 2022, with the following rates: For all months: $34.80 for the first 3 therms or less, $1.0121 for the next 87 therms, $0.7609 for fthe next 2,910 therms and $0.5175 for excess over 3,000 therms. In addition,

the total cost includes an incremental System Benefits Charge which varies yearly, a Merchant Function Charge currently at 0.8062/therm, charges also include a $1.20 per month billing and payment processing charge, and an additional charge based on both the applicable Gas Cost Factor, currently $0.810867/therm and the Monthly Rate Adjustment, currently $0.018812/therm, which reflect the average total cost of gas for the month. Commercial heating oil No. 2 is based on an average billing and consumption rate from building's billing from 2019 through 2022. An inflationary factor of 3% is included. Sales tax is not included.

The estimated charges can vary considerably depending on the severity of the weather, the efficiency of the actual equipment installed, occupant load, as well as other operating parameters. The estimated projected rates and subsequent costs are not guarantied and it is expected that these rates will increase over time and are affected by the factors which are beyond control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the needs of building operation and weather conditions.

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

The building staffing will consist of one (1) full time superintendent, one (1) part time porter and (1) full time doorman/lobby attendant. The superintendent will work Monday – Friday totaling forty (40) hours per week. The doorman/lobby attendant will work forty (40) hours per week. The porter will work as needed as directed by the superintendent and approved by management. The Budget is based upon the employees not being members of any labor union. Employee wages include coverage for overtime, vacation and sick days. Employees may be employed by the condominium or a third party which may be an affiliate of the Managing Agent with their salary expenses being reimbursable expenses. An estimated personnel charge of forty (40%) plus Sales Taxes if applicable may be added to the approved salary expense which includes federal employment taxes, workers compensation insurance, fringe benefits and related employee payroll costs, taxes and expenses.

SALARIES, WAGES, PAYROLL TAXES & BENEFITS

Building Staff (#)	**Salary/Yr./Person**	**Total Wages**
Superintendent (1)	$ 68,069.96	$ 68,069.96
Doorman/Concierge (1)	$ 72,092.29	$ 72,092.29
Porters (1)	$ 10,000.00	$ 10,000.00

Subtotal Employee Salary	$ 150,162.25
Benefits (@~40%)	$ 60,064.90
Total Labor Expense (Including NYS Sales Tax 8.875%)	$ 228,884.80

The wages will meet state minimum wage laws. The projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, in managing comparable buildings. Such level of staffing complies with all applicable labor laws.

(5)Electricity: $9,136.10

The electrical budget is based upon an estimate provided by HLZA, PC located at 11 West 30th Street – 3rd Floor, New York, NY 10001, dated April 26, 2022, which provides that Commercial and General Large electricity rates are based upon Co Ed rate structure SC-09, rate I, as of January 1st 2022 with the following Energy Delivery charges: For summer months: $290.58 per month per first 5kW (or less) and $ 48.42 per kW over 5kW. For all other months: $189.49 per month per first 5kW (or less) and $30.82 per kW over 5kW. The Energy Delivery charge for both the summer and winter is as follows: Charge applicable for all months: $ .0379 per kWhr. In addition, the total cost includes an average Market Supply Demand (MSC) $0.4610/kWhr and an average Monthly Adjustment Clause (MAC) of $0.713/kWhr, a Merchant Function Charge (MFC) of $0.0709/kWhr, a credit and collection-related charge of $0.0371/kWhr, and $1.28 per month billing and payment processing charge. Sales tax is not included.

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

Sales tax is not included and an inflation factor of 3% is included.

(6)Water and Sewer and Steam Charges: $62,525.12

Municipal water and sewer will be provided by The City of New York. The water and sewer budget is based upon an estimate provided by HLZA, PC located at 11 West 30th Street – 3rd Floor, New York, NY 10001, dated April 26, 2022,. The estimated rates are based on approximate current rates. The estimated projected rates and subsequent costs are not guaranteed and it is expected that these rates will increase over time and are affected by the factors which are beyond control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the needs of building operation and weather conditions. There is one meter that measures water consumption for the entire Building. Each Retail Unit has its own sub-

meter to measure water consumption. Charges for waste and storm sewer services are billed at 159% of applicable water charge or, $4.10 for water and $6.50 for sewer, for a combine water/sewer charge of $10.60 per 100 cf of water. Sales tax is included with a 3% inflation factor. A 4.9% rate increased was proposed to the New York City Water Board in May 2022 which has not been approved but could be voted on in June 2022.

(7)Repairs, Maintenance and Supplies: $50,250

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

Air Conditioning Filters/Repairs	$ 4,000
General Building Maintenance & Repairs	$ 6,500
Electrical & Lighting	$ 2,500
Elevators	$13,960
Access Control / Intercom Maintenance	$ 1,500
Life Safety Equipment	$ 1,750
Paint & Painting Supplies	$ 750
Sprinkler System (includes Roof Tank)	$1,000
Plumbing (includes Roof Tank)	$ 6,500
Rubbish & Snow Removal	$ 2,000
Boiler/Burner/Heating	$2,500
Signage	$800
Supplies & Hardware	$4,000
5% Contingency	$2,490
Total	**$50,250**

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

(8)Service Contracts: $50,500

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

Annual inspections (Fire Ex/Sprinkler/Fire Pumps)	$3,000
Boiler/Burner/Heating (Doesn't include Boiler Mgmt Contract)	$5,000
Sprinkler System (Includes Roof Tank)	$3,500
Fire Alarm / Central Station Monitoring + Inspections	$11,200
Communication Services (Cable/Internet/Telephone)	$4,000
Access Control / Intercom	$2,000
Elevator Maintenance Contract	$13,200
HVAC Service Contract	$2,000

Pest & Rodent Control (Exterminator)	$5,000
Pumps & Motors	$1,500
Trash Collection/Roll Off	$2,500

It should be noted that some service contracts have not yet been entered into as of the date of the Plan. It is anticipated that service contracts will be entered into prior to the First Year of Condominium Operation. Purchasers are advised that the projections are only estimates and include reasonable allowances for increases in costs that may arise prior to the initial year of building operations. No warranty or guarantee is made that the actual cost for these services or other services will be in accordance with this projection.

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

(9)Insurance: $71,000

The insurance premiums are based on a letter dated March 29, 2022, from Mackoul Risk Solutions. The fire, casualty and general liability are on the terms set therein:

COVERAGES	LIMITS OF LIABILITY
Property (Building Limit)	$ 25,493,100
Business Personal Property Limit	$ Actual
Demolition and Increased Cost	$ Included
Flood	$ 1,000,000
Earthquake	$ 1,000,000
Deductibles	
Flood (Rising Water)	$ 25,000
Earthquake	$ 100,000
Elevator Collision	$ Included
General Liability (**Public Liability**	
(General Aggregate)	$ 2,000,000
Each Occurrence	$ 1,000,000
Hired/Non Owner Auto Liability	$ 1,000,000
Directors & Officers Liability	$ 1,000,000
Deductible	$ 5,000
Umbrella	$ 25,000,000
Liability	$ Included

Employee Dishonesty	$	200,000
Deductible	$	1,000

The total premium for these various coverages is estimated at $71,000 which includes an inflation factor of 3% per annum.

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

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units, nor does it include coverage of the furniture or personal property of Unit Owners nor decorations, fixtures or coverings (including, without limitation, painting, finishing, wall-to-wall carpeting, pictures, mirrors, shelving and lighting fixtures) installed by Unit Owners. Each individual Unit Owner is required to obtain additional insurance at his own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and

- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

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

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

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

(10)Management Fee: $78,000

Based on the management agreement with R&B Realty Group, LLC, to be assigned to the

Condominium at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of $78,000 for the First Year of Condominium Operations. Principals of Sponsor are affiliated with the Managing Agent. This fee is commercially reasonable and comparable to management fees for buildings of similar size and quality as the Property. Reference should be made to the Section of the Plan entitled "Management Agreement" in the Offering Plan for further details of the Management Agreement.

(11)Legal and Audit Fee: $13,500

Based upon the estimate set forth in a letter dated March 25, 2022 from Rahl & Associates P.C., located at 141 Friends Lande, Suite 100, Newtwon, PA 18940, the Sponsor has budgeted $8,500.00 for estimated auditing and accounting fees in connection with the preparation of the audited financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($5,000.00) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building, such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

(12)Administrative: $17,500

The Budget amount includes anticipated expenses for permits and licenses, telephone, Board expenses, meeting and events, postage, printing, copying, messenger services, miscellaneous office supplies and equipment.

(13)Contingency: $20,000

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

(14) Reserve Fund $70,000.00

In order to conform the budget of the Condominium to the requirements and guidelines of both the Federal Housing Administration ("FHA") and Fannie Mae, the Reserve Fund is established to provide for the periodic maintenance, repair and replacement of the Common Elements as determined by the Condominium Board of Managers. The amount budgeted is approximately ten percent (10%) of the Total Expenses. Note, a reserve study has not been done.

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

(15) Total Expenses: $794,040.09

IN THE OPINION OF CHOICE NY MANAGEMENT, THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JULY 1, 2023. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

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

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

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

Dated: December 8, 2022

32 W 39th Street Sole Member LLC
28 West 36th Street, Suite 301
New York, New York 10018

Re: Office Condominiums at 32 West 39th Street
32 West 39th Street
New York, New York 10018 ("Property")

Gentlemen:

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

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

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

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in allocating 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 Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

Very truly yours,

STARR ASSOCIATES LLP

By: *Shaun Pappas*
Name: Shaun Pappas
Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

CHOICE NEW YORK PROPERTY MANAGEMENT
254 West 31st Street – 6th Floor
New York, NY 10001

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

Dated: December 8, 2022

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

Re: Condominium Offering Plan
Office Condominiums at 32 West 39th Street
32 West 39th Street
New York, New York 10018

Dear Sir/Madam:

32 W 39th Street Sole Member LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Choice New York Management ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

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

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

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

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

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

Very truly yours,

CHOICE NEW YORK MANAGEMENT

By: _____
Name: Adam Lichtenstein
Title: Member

RETAIL UNITS

As more particularly described in the Declaration and in the Description of Property and Improvements, each of which are contained in Part II of the Plan, the Condominium will contain 3 Retail Units. Some Retail Units are occupied by commercial tenants, and some Retail Units are vacant, as indicated on Schedule A.

Retail Units

As more particularly shown on the Floor Plans, there are 3 Retail Units in the Condominium. Retail Unit 1 and Retail Unit 2 are each located on portions of the cellar, floor 1 and mezzanine floor. Retail Unit 2 is located on the cellar level and floor 1.

General

All or any part of the Retail Units may be leased or subleased by the respective Retail Unit Owner, subject to compliance with Law. Each Retail Unit may be combined or subdivided by the respective Retail Unit Owner and then offered for sale by a duly filed amendment to the Plan.

Office Unit Owners will not have any interest in the rents, profits or revenues from the rental or use of any space in any of the Retail Units.

No representation is made with respect to the ownership of all or any portion of the Retail Units or as to who the future owners or tenants of any portion of the Retail Units may be at any time or as to the uses to which any portion of the Retail Units may be put at any time. No assurance, representation, or warranty is given that any tenants, occupants or users of the Retail Units will not be objectionable to Office Unit Owners.

Each Retail Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the Schedule B allocations. Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Office Units, the Retail Units and the Storage Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. In the opinion of Sponsor's budget expert, the allocated Common Charges payable by the Retail Units are sufficient to cover the expenses fairly attributable to the Retail Units.

The following is a summary of certain additional rights and obligations of the Retail Unit Owners relating to the use and ownership of the Retail Units:

(i) the Retail Units may be used for any purpose permitted by Law, including, without limitation, additional professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, parking garages, and commercial space which uses may result in increased noise and traffic. The Retail Units may not be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) heavy manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, (iv) any pornographic or immoral purpose or as a massage parlor, strip club, head shop, adult book store, peep show or adult entertainment facility or any other lurid uses; (v) a billiard parlor or gambling establishment;

(ii) each Retail Unit Owner and its Permitted Users, shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units to make alterations, additions, improvements, or repairs in or to the interior portions of the Retail Units, whether structural or non-structural,

ordinary or extraordinary, and to subdivide and/or combine such Retail Unit, provided that such alterations, additions, improvements or repairs are in compliance with Law and do not adversely affect the structural integrity or mechanical systems of the Building;

(iii) each Retail Unit Owner and its Permitted Users shall have an easement to use the sidewalks adjacent to such Retail Unit for any purposes permitted by Law, including without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalks adjacent thereto provided the entrances to the Building are not impeded by such use. In the event a Retail Unit Owner utilizes such sidewalks, the cost of maintenance and repair of such sidewalk during the period of such use or resulting from such usage shall be borne by such Retail Unit Owner;

(iv) each Retail Unit Owner shall have the right to make all arrangements for the prompt repair and restoration of such Retail Unit to the extent the Retail Unit is damaged or destroyed by fire or other casualty;

(v) each Retail Unit Owner and its Permitted Users shall have the right and an easement (i) for ingress and egress through all Common Elements for the purpose of accessing such Retail Unit or any portion of the Building servicing such Retail Unit, and (ii) to erect, maintain, repair and replace one or more signs of such size and content as the Retail Unit Owner shall determine, in the storefronts and windows of such Retail Unit for the purposes of advertising the sale of a Retail Unit, the leasing of space in a Retail Unit or the operation of any business of a tenant or occupant of a Retail Unit. Notwithstanding the foregoing, the Retail Unit Owners shall not be permitted to utilize, alter, modify, or erect any signage and/or lighting on the exterior façade of the Building. The Condominium Board, on behalf of all Unit Owners, shall have an easement of ingress and egress through the Retail Units for the purpose of accessing any portion of the Building servicing the other Units in the Condominium.

(vi) each Retail Unit Owner (subject to Sponsor's prior written consent in each instance), shall have the right, but not the obligation, at such Retail Unit Owner’s sole cost and expense, to alter, modify, and/or restore the exterior façade of the Building abutting such Retail Unit (including storefronts and windows of such Retail Unit) and to create additional means of egress and ingress to such Retail Unit, provided that such alterations, modifications and/or restorations are in compliance with Law and do not adversely affect the structural integrating or mechanical systems of the Building;

(vii) the Condominium Documents may not be amended or modified so as to adversely affect a Retail Unit Owner without the prior written consent of the affected Retail Unit Owner;

(viii) each Retail Unit Owner shall have the right to sell or lease all or any portion of a Retail Unit without complying with any right of first refusal contained in the Declaration or By-Laws;

(ix) notwithstanding any subdivision of any of the Retail Units, the Retail Unit Owners shall have the right to designate 1 member to the 4 member Condominium Board;

(x) members of the Condominium Board designated by a Retail Unit Owner may only be removed by such Retail Unit Owner, who alone will have the right to elect or designate a replacement; and

(xi) any decisions by the Condominium Board which solely affect a Retail Unit may be made only with the consent of such affected Retail Unit Owner.

Any condominium unit created as a result of the sub-division of a Retail Unit will retain the same rights afforded the Retail Unit Owners as set forth herein.

CHANGES IN PRICES AND UNITS

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

The location in the Building, approximate size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan.

Sponsor reserves the right at any time (before and after the recording of the Declaration) and for any reason (except to the extent prohibited by Law), without giving prior notice and without the consent of the Condominium Board, any Unit Owner, or mortgagee, to (a) change the size, layout, and/or square footage of, or number of rooms in, any Unsold Unit, including without limitation by dividing one or more such Unsold Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between two or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit, and (b) if appropriate, reapportion among the Unsold Units affected by any such changes their aggregate Common Interest. In the event of any change pursuant to either (a) or (b) above or in the event of any material change to the size or quality of the Common Elements, such change shall be disclosed in a duly filed amendment to the Plan and, if applicable, in a duly recorded amendment to the Declaration. Provided that Purchaser is not in default of its obligations under the Purchase Agreement, no change (including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit) will be made with respect to such Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage by more than 5% unless the Purchaser consents to such changes. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. The foregoing reservations of Sponsor's rights to make changes is subject to the governing regulations of the Department of Law which provide for (i) an affected Purchaser's consent for any material changes in the size, layout, or percentage of common interest of a Unit provided that such affected Purchaser is not in default of its obligations under the Purchase Agreement and (ii) all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of a change due to field conditions and construction variances and tolerances, or as a result of changes in Law (including without limitation applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement and any interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price of the Unit or otherwise be relieved from any obligations under the

Purchase Agreement and/or the Condominium Documents by virtue of a non-material inaccuracy or error in the Floor Plans.

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

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license, or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license, or transfer will not require the consent of any other Purchaser or Unit Owner, nor will it require notice to the Condominium Board, except as set forth below. In the event Sponsor sells or otherwise transfers any portion of the Common Elements after the recording of the Declaration and such sale or transfer affects the percentages of Common Interest in the Building, Sponsor will: (i) obtain the consent of the affected Unit Owner(s) and provide notice to the Condominium Board; (ii) disclose such sale or transfer in a duly filed amendment to the Plan; and (iii) reflect such change in an amendment to the Declaration and Floor Plans, if applicable and required.

LEASES AND TENANCIES

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

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

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

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

PROCEDURE TO PURCHASE

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

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

Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Unit is not contingent on Purchaser obtaining financing. In the event a Purchaser defaults under a Purchase Agreement beyond all applicable cure periods for any reason whatsoever, including without limitation any inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement. Purchasers should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the Closing Date. Sponsor shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

The Sponsor anticipates that the First Closing of a Unit will occur on or around July 1, 2023. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT.

While the First Closing is projected to occur on or around July 1, 2023, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth

in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the Purchaser. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the required Deposit, within which to accept or reject the Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports and litigation searches) concerning any Purchaser, subject to any limitations and requirements imposed by Law.

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

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

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

At the time a Purchase Agreement is executed, Purchaser is required to make a Deposit in an amount equal to 10% of the Purchase Price. Sponsor may require that Purchasers of more than one (1) Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser. All Deposits must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

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

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

Following the Plan being declared effective, Sponsor will deliver to each Purchaser an Initial Closing Notice at least 30 days prior to the Closing Date specified therein ("Scheduled Closing Date"). The Initial Closing Notice requirement may be modified or waived by an agreement signed by Sponsor and Purchaser. In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, all Deposits and any interest earned thereon. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection).

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

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

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

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any such Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Purchaser will be required at Closing to deposit with the Condominium an amount equal to 2 years' Common Charges in effect for the Unit which will be in addition to the required contribution to the Working Capital Fund.

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

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

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

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

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

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

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

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

ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

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

All instruments (a) in payment of a Deposit shall be wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan (or, if Sponsor offers to accept payment in the form of an official bank check, made payable directly to the order of "Starr Associates LLP, as Escrow Agent") and (b) in payment of the Balance of the Purchase Price shall be wired to one or more accounts as directed by Sponsor. In the event Sponsor offers to accept payment in the form of an official bank check: (i) checks must be drawn or issued by a bank or trust company which is a member of the New York Clearinghouse Association, with the understanding that checks drawn on out-of-state or foreign banks will not be accepted; (ii) in the event of any return of any check for insufficient funds or for any other reason, Purchaser shall be solely responsible for any and all penalties or other fees imposed by the escrow bank or any other bank in connection therewith; (iii) a return of any check delivered in payment of the Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void ab initio and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Unit may be sold to another as though the Purchase Agreement had never been made. All instruments accepted by Sponsor are subject to collection. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

All Deposits will be placed initially in the non-interest-bearing portion of the Escrow Account. Each Purchaser is required to deliver, in addition to any other documents required by the Escrow Bank or any governmental agency, a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a

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

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of the Filing Date of the Plan, the interest rate for the Escrow Bank is approximately 0.20%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no assurance as to interest rates paid by the Escrow Bank and shall have no liability to Purchaser for changes to the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

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

Under current Law, the sub-accounts at the Escrow Bank are insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $250,000 such Deposit will not be FDIC insured in excess of $250,000; and (ii) while the Deposit is in the non-interest-bearing portion of the Escrow Account, the Deposit may not be fully FDIC insured even if the Deposit does not exceed $250,000.

No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Deposits delivered subsequent to the Deposit may be delivered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service or, if applicable, wired directly to the Escrow Account. A Deposit shall be deemed delivered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

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

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

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

Sponsor may, upon application approved by the Department of Law and after obtaining the consent of each affected Purchaser, elect to withdraw Deposits from the Escrow Account and secure all or any portion of the Deposits withdrawn by delivering to Escrow Agent or another escrow agent designated by Sponsor, one or more irrevocable letters of credit (collectively, "Letter of Credit") or other alternate security approved by the Department of Law, in accordance with the terms and conditions set forth below. For the purposes of clarity, the following provisions relating to the Letter of Credit shall only be applicable after Sponsor applies to and obtains approval of the Department of Law to withdraw Deposit and secure same by a Letter of Credit, as foresaid. All Deposits withdrawn from the Escrow Account shall be paid to the Construction Lender pursuant to a collateral assignment and pledge by Sponsor to the Construction Lender or disbursed to Sponsor subject to the approval by the Construction Lender of the amount of the withdrawal. Notwithstanding the foregoing, as the Building is existing and fully constructed, Sponsor has not procured construction financing. The amount of the Letter of Credit will be at least 125% of the aggregate of all Deposits expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of all Deposits, if any, withdrawn by Sponsor for use in construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. All Deposits will cease to earn interest upon withdrawal from the Escrow Account.

PURCHASERS WILL EARN NO INTEREST ON DEPOSITS WHICH ARE DEPOSITED IN SPONSOR'S CONSTRUCTION FUND ACCOUNT, EXCEPT DURING SUCH PERIODS AS THE DEPOSITS ARE PLACED IN THE INTEREST-BEARING PORTION OF THE ESCROW ACCOUNT.

The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan. The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuer bank, at such times or upon such events as set forth below.

The Letter of Credit will continue in effect, or shall be periodically renewed, until the Closing of Title to all Units for which Deposits have been placed in Sponsor's construction fund account.

Escrow Agent shall be entitled to release the Deposits to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Section of the Plan and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose Deposits were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor and Sponsor's failure or refusal to restore such Deposits to Escrow Agent, without the consent or despite the objection of Sponsor or the issuer bank, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(b) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

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

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

(e) by a final, non-appealable order or judgment of a court;

(f) failure by Sponsor to obtain a renewal or replacement Letter of Credit no later than 60 days prior to the expiration of the existing Letter of Credit;

(g) direction by Sponsor upon request of Purchaser; or

(h) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer bank has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.

Upon payment to Escrow Agent of a drawing under the Letter of Credit, to the extent that Escrow Agent has no further obligation to hold the proceeds of such Letter of Credit in accordance with this Section of the Plan, Escrow Agent shall remit the Deposits to the relevant Purchaser to the extent required by this Section of the Plan and shall remit the excess amount (if any) of such proceeds over the Deposit to the Construction Lender (or, if no Construction Lender shall exist, to Sponsor).

The sole obligation of the issuer bank under or in connection with the Letter of Credit is to pay to Escrow Agent the amount drawn under the Letter of Credit pursuant to a conforming drawing thereunder. In no event shall the issuer bank, or the Construction Lender be liable for the use of the proceeds of any drawing by Escrow Agent and no Purchaser shall have any recourse whatsoever to the issuer bank, or the Construction Lender with respect to the use of such Deposits, other than the issuer bank's liability on the fronting bank for such Letters of Credit.

Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit.

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

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

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of any Deposits or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of such Deposits and continues to act as Escrow Agent. Starr Associates LLP's dual role as Escrow Agent and Sponsor's attorney in no way affects the legal and contractual obligations of Escrow Agent pursuant to the Escrow Agreement, the Purchase Agreement or applicable Law with respect to the maintenance or release of Deposits.

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

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

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

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

EFFECTIVE DATE

The offering by Sponsor of the Office Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Units offered for sale (i.e., 2 Units based on 13 Units offered for Sale). The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Units offered for sale (i.e., 11 Units based on 13 Units offered for Sale).

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

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor in writing, by registered or certified mail.

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

If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with a form RS-3. If Sponsor has accepted Purchase Agreements, all Deposits, together with any interest earned thereon, will be returned to Purchasers 5 days after the Filing Date of the amendment abandoning the Plan. Upon the return of the Deposits, as aforesaid, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. If the Plan is abandoned and Sponsor has not accepted Purchase Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment, which form RS-3 shall be served simultaneously by Sponsor on all commercial and professional tenants, if any. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing (regardless of whether the Declaration has been recorded), Sponsor must re-declare the Plan effective by submission of an amendment to the Department of Law.

TERMS OF SALE

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

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

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

(b) a TCO or PCO for the Unit is in effect. The issuance of a TCO or PCO for the Unit is the only construction-related prerequisite that must occur before Sponsor may require the closing of title. The Buildings Department issued PCO No. 24500 dated March 8, 1939 for the Building.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

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

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

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefor, which will vary depending upon the amount requested. Purchasers are free to use a title company of their choice without any penalty. Landstar Title Agency Inc., having an office at 355 Lexington Avenue, 10th Floor, New York, New York 10017 (telephone: (212) 991-6513, fax: (212) 991-6514) ("Title Company"), has (i) reviewed the Plan and the Condominium Documents and has issued a letter to Sponsor that it is committed to insure that a valid Condominium will be created pursuant to the Condominium Act, (ii) issued the Specimen Title Policy set forth in Part II of the Plan, and (iii) provided Sponsor with the standard fee policy rates as set forth below:

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

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

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

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

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

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

SIMULTANEOUS MORTGAGE RATE SCHEDULE

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

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

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

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

State Transfer Tax:

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

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

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

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

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

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

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

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

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

(1) $3,500 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

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

(3) If Purchaser requires that the Closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change (in Sponsor's sole discretion), an additional attendance fee of $1,250 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

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

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

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

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

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

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

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

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

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

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

Mortgage Recording Tax ("MRT") Credit

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

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

Example of Estimated Closing Costs for a Typical Unit

A numerical example of estimated closing costs and expenses for a single Unit with a Purchase Price of $4,946,650 and a mortgage of $3,957,320 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $4,946,650 of owner's insurance	Fee insurance premium.	$18,017.00
Mortgage Insurance Premium for $3,957,320 of lender's insurance	Mortgage insurance premium.	$3,646.00
NYC RPT Tax	2.625% of bulked-up consideration of $5,112,155.06.	$134,194.07
State Transfer Tax	0.65% of bulked-up (rounded up) consideration of $5,080,000.	$33,020.00
Mortgage Recording Tax	The tax rate is 2.8%. The borrower pays 2.55% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $9,893.30	$100,881.66
Departmental and Bankruptcy Searches	Title Searches	$520.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$550.00
Estimated Lender's Title Endorsements	Three endorsements at $50 each.	$150.00
Legal fee of Sponsor's attorney	Basic closing fee ($3,500) + ACRIS document preparation fee ($250) + mortgage financing fee ($750)	$4,500.00
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs	*Excluding Working Capital Fund contribution.*	$295,478.73

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

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

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

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

Closing Adjustments

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

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

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

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

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

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

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

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

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

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

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

(c) Sponsor 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 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 construction work filed with the Buildings Department and other appropriate governmental authorities.

(d) Sponsor is selling Units to Purchasers "as is" in the condition in which they exist on the date of the Purchase Agreement, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing. Sponsor presently contemplates that Closings of Units will begin on or about July 1, 2023. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor, it being understood that nothing contained in this Section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. Sponsor has the right to change the projected date of the First Closing from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the projected date set forth in Schedule B in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon, except for any Special Work Funds to the extent that such Special Work Funds have been expended. Even if the First Closing occurs within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor is not obligated under the regulations promulgated by the Attorney General to schedule any subsequent closing within any specified time frame. Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond the projected date of the First Closing, and Residential Units on higher floors

generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing or any Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Nothing contained in this section will be construed so as to render Sponsor liable for money damages, nor shall Purchaser have against Sponsor any liability, suit, claim, cause of action, or demand under any legal theory. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS WHEN DETERMINING WHETHER TO PURCHASE A RESIDENTIAL UNIT. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind)

(e) Sponsor reserves the right at any time (before and after the recording of the Declaration) and for any reason (except to the extent prohibited by Law), without giving prior notice and without the consent of the Condominium Board, any Unit Owner, or mortgagee, to (a) change the size, layout, and/or square footage of, or number of rooms in, any Unsold Unit, including without limitation by dividing one or more such Unsold Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between two or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit, and (b) if appropriate, reapportion among the Unsold Units affected by any such changes their aggregate Common Interest. In the event of any change pursuant to either (a) or (b) above or in the event of any material change to the size or quality of the Common Elements, such change shall be disclosed in a duly filed amendment to the Plan and, if applicable, in a duly recorded amendment to the Declaration. Provided that Purchaser is not in default of its obligations under the Purchase Agreement, no change (including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit) will be made with respect to such Unit for which a Purchase Agreement is then in effect which increases or decreases the square footage by more than 5% unless the Purchaser consents to such changes. A decrease in a Unit's area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. The foregoing reservations of Sponsor's rights to make changes is subject to the governing regulations of the Department of Law which provide for (i) an affected Purchaser's consent for any material changes in the size, layout, or percentage of common interest of a Unit provided that such affected Purchaser is not in default of its obligations under the Purchase Agreement and (ii) all Purchasers' consents for any material change in the size or material adverse change in the quality of the Common Elements. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and such change will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of a change due to field conditions and construction variances and tolerances, or as a result of changes in Law (including without limitation applicable building codes and regulations) and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to terminate the Purchase Agreement and refund to Purchaser all Deposits made under the Purchase Agreement and any interest earned thereon.

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

(g) The Building contains certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, air handling units and domestic water tanks (collectively, "Equipment") located on the mezzanine floor, 3rd floor, 6th floor, 10th floor, 11th floor, 15th floor and roof. While Sponsor is endeavoring to reduce excessive noise and vibration emanating from the Equipment, which noise and vibration levels will be in compliance with Law and applicable codes, it may be impossible to eliminate it entirely and, therefore, Units and Common Elements in close proximity may be affected. Purchasers should note that subsequent to the First Closing, the Condominium Board will be responsible for the proper upkeep and maintenance of such Equipment in accordance with Law.

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

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

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

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

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

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

(n) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws, the types and cost of which insurance has been reflected in the First Year's Budget. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws.")

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

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

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

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

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

Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

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

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

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

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

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

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

Except as set forth above or as required by Law, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time Sponsor is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Units to Purchasers.

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

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

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

Use of Unsold Units

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

Selling Agent/Model Unit/FFE

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

Sponsor's Easement Rights

Sponsor and its Permitted Users shall have an exclusive right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, any signage on the façade of the Building, or other similar installations, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for the purposes of installing any such equipment, signage or other installation identified in subsection (i) above, including, without limitation, the right to erect, install, maintain, replace and/or repair any sign and/or lighting permitted by Law on any portion of the Property, for the purposes of advertising the sale or lease of any Unit, the operation of any business conducted in any Unit, or any type of third-party advertising whether for profit or otherwise. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners, and/or their respective Permitted Users. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building, or any portion

of the Common Elements, shall be the obligation of Sponsor and not of the Condominium, and any rights or benefits of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner.

Condominium Name

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

CONTROL BY SPONSOR

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

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

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

Commencing with the first annual meeting, the Condominium Board shall consist of 4 individuals, 3 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Office Unit Owners (including Sponsor) (collectively, the "Office Members"), and 1 of whom shall be collectively designated by the Retail Unit Owners ("Retail Member"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

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

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

Within 30 days after the expiration of the Sponsor Control Period, 1 of the 2 Office Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Office Unit Owners (including Sponsor) at a special meeting called for such purpose. After the Sponsor Control Period, a majority of the Office Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principal.

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

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

Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period, to the extent that, the Condominium Board may not take any of the following actions without Sponsor's prior written consent for so long as Sponsor shall

continue to own Unsold Office Units representing at least 25% in number of all Office Units (but in no event later than the fifth anniversary of the First Closing): (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit. Notwithstanding the foregoing, however, (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law, (ii) remedy any notice of violation, (iii) remedy any work order of the Condominium's insurer, or (iv) ensure the health and safety of the occupants of the Condominium.

CONDOMINIUM BOARD

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

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

Commencing with the first annual meeting, the Condominium Board shall consist of 4 individuals, 3 of whom shall be elected and/or designated in accordance with the terms of the By-Laws by the Office Unit Owners (including Sponsor) (collectively, the "Office Members"), and 1 of whom shall be collectively designated by the Retail Unit Owners ("Retail Member"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

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

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

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

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

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Unit Owner may sell or lease the Unit provided that such Unit Owner gives the Condominium Board, within 30 days of the consummation of the transaction embodied in such Sale Agreement or Lease Agreement, copies of the deed of the Unit or the lease, as the case may be. Any such lease shall be consistent with the By-Laws and shall provide that the Condominium Board, if permitted by Law, shall have the power to terminate such lease in its sole discretion and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease or in the event of a violation of the terms of the Condominium Documents, including the Rules and Regulations beyond all applicable notice and grace periods. The form of any such lease shall be a printed, reasonably applicable form of office or commercial lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

A Unit may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or rental. A Unit Owner may only sell the entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's undivided interest in (a) the Common Elements, (b) the Office Common Elements (with respect to Office Units); (c) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or rental thereof and (d) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

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

Notwithstanding anything contained in the Plan to the contrary, A Unit Owner who acquired title to the Unit from Sponsor is prohibited for a period of twelve (12) months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale.

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

Resale Price:	$	4,500,000
- *less* Brokerage Commissions	($	270,000)

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

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

Use of Units and Common Elements

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

An Office Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by Family Members and guests of any of the foregoing. In all instances, Units may only be used in compliance with Law and the then existing Certificate of Occupancy covering the Building and the Declaration of Condominium and By-Laws.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board: (a) retain ownership of one or more Unsold Units for use as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units, or for any other purpose, subject only to compliance with Law; and (b) lease any Unsold Unit.

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

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

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

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

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

Mortgage of Units by Unit Owners

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

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

Common Charges: Determination and Assessment

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

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

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

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

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

Common Charges: Collection and Lien for Non-Payment

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

No Unit Owner may become exempt from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of the Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges subsequent to a permissible sale, transfer or other conveyance of the Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying the Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, become exempt from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to the Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from

Common Charges attributable to such Unsold Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the Unsold Units constitutes 15% or less of the total Common Interests then appertaining to all Office Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

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

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

Repairs to, and Maintenance of, Units and Common Elements

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

The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior and exterior glass of all windows in the Retail Unit are to be washed and cleaned by the Retail Unit Owner at the Retail Unit Owner's sole cost and expense. The interior glass surfaces of all windows in the Office Units are to be washed and cleaned by the Office Unit Owners at their sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows in the Office Units will be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Office Unit Owners as an Office Common Expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. The Condominium Board reserves the right to make all decisions with respect to the type of replacement window installed.

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

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

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

Alterations, Additions and Improvements of Units and Common Elements

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

As more particularly set forth in the By-Laws, No Office Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Office Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in subsection (D) hereof and the days and hours during which any such work may be done. The Condominium may impose charges upon the Office Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Office Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

Each Retail Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any: (i) to make alterations, additions, improvements, or repairs in or to the interior portions of the Retail Unit, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in each Retail Unit; (ii) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Retail Unit; (iii) without amendment to the Plan, to (y) subdivide and/or combine any Retail Units and/or (z) change any Retail Units in size by relocating a boundary wall between Retail Units. In the event of a subdivision, combination, and/or change in size of any Retail Units, each Retail Unit Owner shall additionally have the right to reapportion among the affected Retail Units their respective Common Interest; (iv) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (y) alter, modify, and/or restore the exterior façade and/or the windows of the Retail Unit, including,

without limitation, any storefronts, and (z) create additional means of egress and ingress to such Retail Unit. Provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Retail Unit: (a) no physical modification shall be made to any other Unit, and the Common Interest and Office Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto; (b) the Retail Unit Owner shall comply with Law and the terms of the Declaration and these By-Laws; (c) the Retail Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and (d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Any additional condominium units created as a result of a subdivision of any Retail Unit will retain the same rights, privileges, and benefits afforded the original Retail Unit Owner and will be subject to the same obligations imposed on the original Retail Unit Owner, as set forth in the Declaration and these By-Laws. Notwithstanding the foregoing, in the event of a subdivision of any Retail Unit, the resulting Retail Unit Owners shall have the right to collectively designate only 1 Retail Member to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Office Common Interest of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Retail Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered, at the Retail Unit Owner's election, by the Retail Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board.

Notwithstanding the foregoing, all Unit Owners (including without limitation Sponsor and the Retail Unit Owners), prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law. All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. The Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to an Office Unit or its appurtenant Limited Common Elements (except for certain Sponsor performed alterations), the same was approved by the Condominium Board.

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

Upon request of a Unit Owner, the Condominium Board shall execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner deems necessary or appropriate to comply with any Law, applicable to the maintenance, alteration or repair of such Unit and which would not

have an Adverse Effect on another Unit Owner or otherwise violate the Declaration, or the By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner deems necessary or appropriate and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration, or the By-Laws; provided, in each such case the Condominium Board and the Managing Agent shall have received an indemnity in form and substance acceptable to the Condominium Board and from a creditworthy entity acceptable to the Condominium Board, in its reasonable discretion, indemnifying the Condominium Board from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Condominium Board in connection with the foregoing shall be paid by the Unit Owner making such request.

Insurance

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

Rights of Access

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

Compliance with Condominium Documents

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

Examination of Books and Records

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

Self-Help

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

General

All restrictions and prohibitions, set forth herein with regard to the use of a Unit and its appurtenant Limited Common Elements, if any, shall not apply to Sponsor or any principal of Sponsor owning or leasing such Office Unit.

Purchasers should refer to the Section of the Plan entitled "Retail Units" for a summary of additional rights and obligations of the Retail Unit Owners.

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

Condominium Board

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

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

Powers and Duties of and Determinations by the Condominium Board

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

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

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

Meetings and Votes of Unit Owners

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

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit. Notwithstanding the foregoing, the Storage Unit Owner shall have no voting rights with respect to the Storage Unit.

Officers

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

Repair or Reconstruction after Fire or Other Casualty

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

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

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in

proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

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

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to all Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the first annual meeting of the Unit Owners shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of 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 the Condominium Board and to all of the insureds, including all Unit Owners and Permitted Mortgagees who have requested the same from the Condominium Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium

Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owners Unit or within the Common Elements, if any, exclusive to such Unit Owners Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

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

Liability of the Condominium Board and Unit Owners

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

Reports to Unit Owners

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

Amendments to Condominium Documents

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

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

Termination of Condominium

The Condominium shall continue, and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of each of the Retail Unit Owners and at least 80% in number and in Office Common Interest of all Office Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

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

Units Acquired by Condominium Board

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

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

Procedure to Review Real Estate Tax Assessments

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

Mechanics' Liens

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

Easements

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

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

The Declaration and By-Laws

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

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

The following discussion of certain income tax consequences of the ownership of Office Units was prepared by Sponsor based, in part, upon the income tax opinion of Meltzer, Lippe, Goldstein & Breitstone, LLP, tax counsel to Sponsor ("Tax Counsel"), a copy of which is set forth in Part II of the Plan.

TAX COUNSEL IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT PURCHASER'S OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

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

A Unit Owner that is subject to Federal, New York State and New York City income taxes may be able to deduct for income tax purposes, subject to limitations in the tax laws that apply to the individual taxpayer, the real estate taxes and mortgage interest paid or accrued by it and attributable to its Unit[1]. Said expenses, to the extent deductible, shall be deductible when paid or accrued by the Unit Owner in accordance with such Unit Owner's method of accounting. The deductibility of real estate taxes and interest paid with respect to a Unit may be limited by passive activity and "at risk" limitations and rules.

Further, a non-corporate Unit Owner who holds a Unit for investment purposes and not for use in a trade or business may, in certain cases, be subject to the overall limit on the deductibility of investment interest. Additionally, amounts paid or accrued by a Unit Owner, as part of Common Charges or assessments may be deemed capital and by nature are not deductible except as depreciated.

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

Tax Status of the Condominium and the Condominium Board

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

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

residential condominiums may elect to be treated as an organization exempt from Federal income taxes. Inasmuch as the Units are not residential units, the Condominium Board will not be eligible to make this election.

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

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

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

REAL ESTATE TAXES

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

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

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

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

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

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

As of the Filing Date of the Plan, there are tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property.

WORKING CAPITAL FUND AND APPORTIONMENTS

Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date. The payment of the Working Capital Contribution shall be required of all Purchasers of Units, whether purchased from Sponsor or purchased from a Unit Owner on a resale. No provision has been made to establish a reserve fund for capital replacements or repairs. While Sponsor does not anticipate the imminent need for such capital replacements, repairs or improvements except as otherwise provided in the Description of Property and Improvements in Part II of the Plan, no assurance or guaranty is given that such needs will not arise in the future. Therefore, Unit Owners will be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

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

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

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

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

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

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

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

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

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

(9) janitorial service fees, if any.

(10) management fees.

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

(12) other customary closing adjustments.

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

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

The Working Capital Fund will be used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges. While Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce Common Charges. (See the Section of the Plan entitled "Control By Sponsor" for details.)

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

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

RESERVE FUND

Schedule B - Budget for First Year of Condominium Operation includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. For so long as Sponsor continues to own at least 1 Unsold Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. The Reserve Fund may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

While Sponsor controls the Condominium Board, the Reserve Fund will not be used to reduce Common Charge. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Reserve Fund.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and R&B Realty Group, LLC ("Managing Agent"), having an office at 28 West 36th Street, Ste. 301, New York, New York 10018 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent. Principal of Sponsor is affiliated with Managing Agent.

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

Managing Agent will receive an annual fee, payable in equal monthly installments during the term of the Management Agreement as follows: $78,000.00 per annum. The management fee is comparable to the rate for similar services in comparable Building. In addition to the foregoing, Managing Agent shall receive reimbursements for services rendered to Office Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Units, (ii) mortgage or refinance of an existing mortgage on a Unit and (iii) alter or renovate a Unit, Managing Agent shall receive a fee from the applicable Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

The management fee is comparable to the fee for similar services in comparable Building.

The duties and services to be rendered by Managing Agent include, among others:

(1) billing and collecting Common Charges.

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

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

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

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

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

(7) maintaining payroll records and filing withholding tax statements for employees.

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

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

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

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

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

(13) processing applications for waivers of the right of first refusal.

(14) creating the annual operating budget.

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

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

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

Sponsor reserves the right during the Sponsor Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. The Management Agreement may not be assigned by Managing Agent without the prior written consent of the Condominium Board. The Condominium Board may not assign the Management Agreement.

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

Vendor	**Contract Type**	**Annual Cost**
Allstate Sprinkler Corp.	Fire Sprinkler System Inspection and Testing Agreement	$2,250
A-Z Fire Alarm Security, Inc.	Fire Alarm System Inspection and Testing Agreement	$11,200.
Epic Security	Security Guard/Doorman	$100,000
Morgan Elevator Co. LTD.	Elevator Maintenance	$17,328

IDENTITY OF PARTIES

Sponsor

32 W 39th Street Sole Member LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 28 West 36th Street, Suite 301, New York, New York 10018 ("Sponsor").

The principal of Sponsor who will be actively involved in this offering is Aron Rosenberg.

Aron Rosenberg is the President, Founder & CEO of R&B Realty Group. Under his leadership, the New York real estate investment and development firm grew to include multiple commercial real estate assets across multiple states. The real estate portfolio's great performance led Aron to expand the firm's commercial portfolio across the eastern seaboard, including from standalone retail buildings to ground up developments.

Prior Offerings

Neither Sponsor nor its principal has taken part in any prior public offerings during the past 5 years.

There have been no prior felony convictions of Sponsor, or principal of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or principal of Sponsor that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Sponsor and principal of Sponsor who reside outside of the State of New York have designated the Secretary of State for service of process.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 220 East 42 Street, Suite 3302, New York, New York 10017 to represent it in connection with the Plan and to serve as Escrow Agent. Shaun W. Pappas, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Office Units.

Sponsor has retained the law firm of Meltzer, Lippe, Goldstein & Breitstone, LLP, having an office at 190 Willis Ave., Mineola, New York 11501 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Andrew L. Baron, Esq.

Sponsor has retained the law firm of Korngold Powers LLP, having an office at 60 East 42nd Street, 46th Floor, New York, New York 10165, to provide the Real Estate Tax Opinion set forth in Part II of the Plan.

Selling Agent

Rudder Property Group, LLC, having an address at 36 West 44th Street, Suite 1411, New York, New York 10036. Selling Agent specializes in the sale of office condominium in the New York metropolitan area. With over a decade of experience in this niche market, the principals of Selling Agent have sold over 2,000,000 square feet of office condominiums with a value in excess of $1 billion.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Managing Agent

Managing Agent for the Condominium will be R&B Realty Group, LLC, having an office at 28 West 36th Street, Ste. 301, New York, New York 10018. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of commercial real estate for many years. It currently provides property management services for many commercial properties.

There have been no prior felony convictions of Managing Agent, or any principals of Managing Agent, and no prior convictions, injunctions and judgments against Managing Agent, or any principals of Managing Agent that may be material to the Plan or any offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Construction Professionals

Sponsor has retained the following professionals in connection with the construction of the Building:

a) Architect of Record

Howard L. Zimmerman Architects, P.C., having an office at 11 West 30th Street, 3rd Floor New York, New York 10001 is the architect of record for the Building ("Architect"). The Architect prepared the Floor Plans set forth in Part II of the Plan and the Floor Plans which will be filed with the New York City Real Department of Finance required in order to create the Condominium. Architect has also examined the physical condition of the Building and has rendered its report thereof and a Certification which is set forth in Part II of the Plan. Architect has been providing architectural services for many years and has been the architect of many Manhattan Buildings.

b) Mechanical Engineer

Howard L. Zimmerman Architects, P.C., having an office at 11 West 30th Street, 3rd Floor New York, New York 10001, is also the mechanical engineer for the Building. The Mechanical Engineer has been providing engineering services for many years.

Condominium Budget Expert

Sponsor has engaged Choice NY Property Management, LLC, having an address at 254 West 31st Street, 6th Floor, New York, New York 10001, as Sponsor's budget expert ("Budget Expert"). Budget Expert estimated all amounts of income and expenses in the First Year's Budget in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget, which may be found in Part II of the Plan.

Title Company

Landstar Title Agency Inc., having an office at 355 Lexington Avenue, 10th Floor, New York, New York 10017, phone: (212) 991-6513, facsimile: (212) 991-6514 has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act and is prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. A form of Office Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company is set forth in Part II of the Plan.

Related Parties

Sponsor and its principal have no affiliation with Selling Agent, Sponsor's Attorneys, the Architects/Engineers or the Budget Expert, the Construction Professionals, or any person or firm who will

provide services to the Condominium subsequent to the First Closing, with the exception that principal of Sponsor is affiliated with the Managing Agent. Neither the Condominium Budget Expert, the Construction Professionals nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

Neither Attorneys for Sponsor, Income Tax Counsel, Real Estate Tax Counsel, the Construction Professionals, nor Budget Expert have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

No Pre-Sales

Neither Sponsor nor its principal has entered into contracts or agreements, written or oral, or accepted deposits or advances of funds for the purchase of Units as of the Filing Date of the Plan.

With respect to any of the parties named herein, Sponsor reserves the right to substitute their services for the services of another person or company prior or subsequent to the First Closing, in which case such change shall be disclosed in a duly filed amendment to the Plan.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

2. At least 30 days' prior notice of the annual Unit Owners' meeting.

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Condominium Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in the Register's Office in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be recorded in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Copies are contained in Part II of the Plan of the forms of Declaration, By-Laws, Purchase Agreement, Unit Deed, Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to in the Plan, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Office Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and Purchasers. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Deposit, together with any interest earned thereon to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units on any ground in violation of Law.

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

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Improvements" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Improvements or as contemplated to be made as described therein. As more fully described above, and subject to the matters described therein, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

The Buildings Department issued PCO No. 24500 dated March 8, 1939 for the Building.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. According to the "Description of Property and Improvements" in Part II of the Plan, the Building was constructed in 1925. Buildings constructed prior to 1979 may contain lead paint and buildings constructed before 1960 are presumed to contain lead paint. In accordance with the terms of the rider annexed to the Purchase Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint.

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

PART II

COMMERCIAL CONDOMINIUM OFFERING PLAN

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET
32 WEST 39TH STREET
NEW YORK, NEW YORK 10018

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

DESCRIPTION OF PROPERTY & BUILDING CONDITION REPORT

FOR **OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET**
32 WEST 39TH STREET
NEW YORK, NY 10018

HLZA

Issue Date:
December 7th, 2022

Reference:
Project Number: 21-0943

Prepared For:
32 W 39th Street Sole Member LLC

Prepared by:

HOWARD L.
ZIMMERMAN
ARCHITECTS PC

11 West 30th Street 3rd Floor New York NY 10001 | p. 212.564.9393 | f. 212.564.9032 | www.hlzimmerman.com

HLZA

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET
32 WEST 39TH STREET
NEW YORK, NY 10018
DESCRIPTION OF PROPERTY

I. PREFACE

This Report was prepared for 32 W 39th Street Sole Member LLC ("Sponsor") for inclusion in an offering plan for said building in compliance with the requirements of the Department of Law of the State of New York. I hereby authorize reproduction of this Report for such purpose exclusively. Reproduction for any other purpose is not authorized.

The intent is to provide a description of the materials, finishes, equipment and structure which comprise this Building, as outlined in the guidelines of the office of the Attorney General of the State of New York.

The content of this Report is based on:

An inspection of the existing records and applications on file with the Department of Buildings of the City of New York which were made available for review;

A visual inspection of some, but not all areas of the Building, including basement/lobby, public halls, roof bulkheads, exterior walls, and courts, some but not all units, and related equipment contained therein;

Information on open violations on record provided by the governing New York City Agencies;

And

Information provided by the Sponsor and/or its representatives.

Inspection and visual observation were made on: **December 22, 2021, January 5, 2022, January 18, 2022**, and **January 24, 2022.** The following describes the conditions existing at the time of these site visits. Visual examination was made of a sufficiently large sampling of the spaces and equipment as deemed necessary in our professional opinions, but, unless stated herein, no tests or penetrations into walls, ceilings, floors, etc., or removal of any structural or mechanical elements were performed.

Except as noted in this Report, no representation is made as to the condition or legality of the various elements of the Building. This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the property or as an opinion as the advisability or inadvisability to purchase condominium units being offered pursuant to the Sponsor's offering plan.

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II. CONDITION

A. LOCATION, AND USE OF PROPERTY

(1) Address of Property/Location:	32 West 39th Street, Borough of Manhattan, 10018
(2) Tax Block Number: Tax Lot Number:	840 66 and 68
(3) Zoning Map: Zoning District:	8D M1-6
(4) Permissible Use:	Light Manufacturing Districts. Zoning Use Groups 5-17, except use group 15 Zoning district M1-6 permits a variety of commercial uses, including retail and office use. The property will comply with all zoning and use requirements as of the first closing of a Unit. The Units may be used for any lawful, non-hazardous purposes, but are anticipated to be used for office and light manufacturing purposes on the 3rd through 16th floors.

B. STATUS OF CONSTRUCTION

(1) Year Built:	1925
(2) Class of Construction:	Class 1: FIREPROOF STRUCTURES- 1938 NYC Building Code Class 1-Fireproof structures are those in which the walls and structural members are made of incombustible material or assemblies with the following minimum fire resistive ratings: four hours for exterior walls (except panel walls, and exterior bearing walls in private dwellings thirty-five feet or less in height), fire walls, party walls, piers, columns, other structural members which carry walls (except lintels) and girders carrying columns; three hours for other girders, fire partitions, floors including the beams and girders, beams, roofs and floor fillings, and required stairway enclosures other than in schools and schools and structures less than one hundred feet in height; two hours for exterior panel walls in all structures and exterior bearing walls in private dwellings thirty-five feet or less in height and required stairway enclosures in schools and structures less than one hundred feet in height. Permanent interior partitions shall be constructed of incombustible materials. The degree of fire resistance of other construction features in fireproof structures and the materials acceptable for the purpose shall be in accordance with the provisions of article eleven of this title. Exterior wall fire separation ratings are in compliance with the 1968 Building code table 3-4 which calls for 4 hour rating for bearing walls and 2 hour fire rating within 3'-0" of property lines, 4 hour rating for bearing walls and 2 hour rating for non bearing walls within 3' to 15' of property lines, 4 hour rating for bearing walls, 1.5 hour rating for non-bearing walls within 15' to 30' of property lines, and 4 hour rating for bearing, 0 hour rating for nonbearing walls greater than 30' from property lines.

(3) Certificate of Occupancy - Type; Number:	Temporary Partial Certificate of Occupancy (10/15/2019-01/13/2020) CO # 122284553T001 (Cellar, 1st and Mezzanine floors) indicates a restaurant occupancy. The temporary certificate of occupancy, which only relates to the use of the Retail Units, which are not offered for sale at this time, has expired. Under Permanent CO# 24500, dated March 8, 1939 the Units on floors 3 – 16 may be used for office and factory purposes. See Special Risk 4.
(4) There are 46 open DOB applications showing in DOB BIS System website (See Special Risks). Units will be offered for in the "as-is" condition.	
(5) Open Alteration Application Numbers and Description of Work Done:	

Filing Date	Application No. and Description Status
1/26/2021	140997633 – Install flue oil tank enclosure - Permit Entire
5/08/2017	123006335 – Sprinkler for Lobby - Permit Entire
12/09/2016	122953250 – Renovate Lobby and Entrance - Permit- Entire
7/20/2016	140524270 – Installation of Pipe Scaffold, Permit- Entire
7/11/2016	140519197 – Proposed Installation of Heavy duty Sidewalk Shed - Permit Entire
2/03/2016	122524054 – Façade Repair - Permit Entire
3/02/2015	122284562 – Obtain Amendment Certificate of Occupancy for Restaurant at First Floor - Permit Entire
04/03/2012	121031258 – Installation of manual & automatic smoke/heat detection & sprinkler - Permit Entire
08/29/2011	120805762 – Removal of existing and installation of new interior non-bearing partitions and suspended ceilings - Permit Entire
06/18/2009	120068700 – Install non flashing illuminated business sign - Permit Entire
05/15/2009	120040053 – Interior renovation for an existing subway - Permit Partial
02/09/2009	110452359 – General construction work including the installation of partitions and plumbing fixtures - Permit Entire
02/09/2009	110452340 – Installation of a/c, kitchen mechanical system - Permit Entire
06/23/2008	110212902 – Installation of a new sprinkler pump in the building - Permit Entire
05/14/2003	103457563 – Exterior rehabilitation project - Permit Entire
10/18/2002	103292900 – Installation of heavy duty sidewalk shed - Permit Entire

12/03/2001	103037018 – Erect new office partitions - Permit Entire
11/15/2000	102901923 – Renovation of a existing store for a "SUBWAY" store and install a HVAC system at 1st floor - Permit Entire
04/07/2000	102859578 – Illuminated non advertising accessory sign - Permit Entire
11/19/1993	100708423 – Air conditioning installation - Permit Entire
08/25/1993	100695856 – New interior partitions, hung ceiling & new sink at pantry on 4th floor - Permit Entire
08/30/1990	100105805 – New interior partitions in 3rd floor offices - Permit Partial

Note: Only jobs with permits issued and work performed are listed. The start date of work for these applications and the final completion date are unknown. There is currently no active construction work at the building and while sponsor may undertake work at the building, currently has no plans to do so.

C. SITE

The property is located at 32 West 39th Street between 6th Avenue and 5th Avenue in the Borough of Manhattan in the City of New York.

The property is bounded on the south by a 16-story office building, on the east by a 14-story office building, and on the west by a 5-story office building.

The Building's main entrance is located on West 39th Street. The main entrance provides access to an attended lobby, all Units and Common Areas.

There is a service entrance and corridor adjacent to the main entrance of the Building for the use of all units.

Ground level Commercial Units are provided with separate entrances within storefronts directly from West 39th Street for access.

The street exterior wall is in line with the property line along West 39th Street. There are façade appurtenances that project over the sidewalk. The encroachments are original to the building in compliance with code and are inspected every 5 years under the Local Law for Façade Inspection and Safety Program (FISP).

(1) Size:	Lot 66 with width dimensions of 50'-0" X 98'-9" (32-34 W 39th Street) and Lot 68 with dimensions of 25'-0" X 98'-9" (36 W 39th Street). The combined area of both lots is 7,406.25 SF.
(2) Number of Buildings Use:	One (1) Building; Commercial- Factory and Office Spaces.
(3) Streets Owned or Maintained by the Building:	None. The street fronting the property (West 39th Street between 5th Avenue and 6th Avenue) is owned and maintained by the City of New York.

(i)	Paving (Material and Condition):	West 39th Street is asphalt paving and is owned and maintained by The City of New York Department of Transpiration (DOT).
(ii)	Curb (Material and Condition):	Sidewalk curbs are concrete with steel-faced nosings and in acceptable condition.
(iii)	Catch Basins, Drainage – Location; Condition:	There are no catch basins directly in front of the Building site. There are catch basins in the vicinity of the subject property along West 39th Street. The street bed is pitched toward the catch basins. There is a city owned manhole on West 39th Street in front of the Building.
(iv)	Street Lighting – Material; Type, Location; Condition:	Street lights are owned and maintained by the City of New York. There are street lights on West 39th Street at locations designated by DOT. Material, type and condition unknown.
(v)	Conformance with local fire district, town or municipal building codes.	The Building is located within a Manhattan fire district. It is believed that the Building was originally built in conformity with the New York City Rules and Regulations in effect at the time of construction.
(4) drives, sidewalks and ramps:		
(i)	Paving (Material and Condition):	West 39th Street is paved with asphalt and is owned and maintained by The City of New York Department of Transpiration (DOT). The sidewalk fronting the property is comprised of cast-in-place concrete in acceptable condition which are existing to remain as is.
(ii)	Curb (Material and Condition):	Sidewalk curbs are concrete with steel-facing in acceptable condition and are existing to remain as is.
(iii)	Catch Basins, Drainage – Location; Condition:	There are no catch basins in front of the Building. There is an existing city owned catch basins in the corner of West 39th Street and Sixth Avenue. The street bed is pitched toward the catch basin. There is a city owned manhole on West 39th Street in front of the Building.

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		Street lights are owned and maintained by the City of New York.
(iv)	Street Lighting – Material; Type Location; Condition:	There are street lights on West 39th Street at locations designated by DOT. Material, type and condition unknown.
(v)	Driveways and ramps	There are no curb cuts and driveways. There are no exterior ramps.
(vi)	Sidewalk Vaults	There are no sidewalk vaults apparent.

D. UTILITIES

Electric:	Electricity is existing and is currently provided by Consolidated Edison Company of New York. All units are separately metered, and unit owners are responsible for the cost of their individual electric service usage. The common areas of the Building are separately metered and the charges for this service will be included in the Building's common charges.
Gas:	Natural gas service to the Building is existing and is currently provided by Consolidated Edison Company of New York. There are three (3) gas meters for the Building. There are two (2) gas meters for two of the ground floor commercial restaurant tenants, and the two (2) meter are both located in the cellar level in one of the commercial restaurant spaces. One (1) gas meter is for the Building boiler located in the cellar. Payment for these services will be included in the Building's common charges.
Water:	Water service is existing and provided by New York City Department of Environmental Protection. The Building has one (1) water meter. Payment for these services will be included in the Building's common charges.
Sewer / Septic Tank:	Sewer service is existing and is provided by New York City Department of Environmental Protection. Payment for these services will be included in the Building's common charges.
Telephone / Cable / Internet:	Telephone services to the Building are existing and are currently provided by Verizon or Spectrum. Each unit owner is responsible for the cost of its own telephone service. The charges associated with the telephone service for common areas (e.g. concierge's desk, maintenance office, elevators, etc.) will be included in the Building's common charges.

	Cable television and internet services to the Building are existing and are currently available from Verizon or Spectrum. Each unit owner is responsible for the cost of its own cable and internet services. The charges associated with these services for common areas (e.g. concierge's desk, maintenance office, etc.) will be included in the Building's common charges.

E. SUBSOIL CONDITIONS

(1) The subsoil conditions are unknown as the Building is existing and covering 100% of site. Historical Geotechnical data of existing soil condition was not available.

(2) Exposed portions of the Building's foundation walls were observed to be comprised of cast-in-place concrete. The cellar slab is believed to be a slab on grade and is primarily dry; without indications of water infiltration. No adverse conditions were observed.

(3) Visual inspection of the cellar floor, foundation walls and the exterior facades showed no evidence that would be indicative of uneven foundation movement, moisture seepage or groundwater infiltration. There are no signs of Building settlement.

Within NYC Hurricane Evacuation Zone – (Y/N): (http://maps.nyc.gov/hurricane/)	N
FEMA Map Panel (https://msc.fema.gov/portal/search):	3604970088F
Within a FEMA Special Flood Hazard Area (100-year or Base Flood Zone) - (Y/N):	N
Within other FEMA Flood Areas – (Y/N); Specify:	N
Depth of Water Table relative to below grade space:	Unknown

F. LANDSCAPING AND ENCLOSURES

(1) Grass/Landscaping Cover – Type; Location:	There is no landscaping. The rear yard areas are paved with concrete. Pavement is in acceptable condition.
(2) Plants – Type; Location:	There are no plants or planting.
(3) Trees – Type; Number; Location:	There are no tree pits or trees within the site or in front of the Building.
(4) Fencing – Type; Location:	There is no fencing.
(5) Gates – Type; Location:	There are no gates on the site.
(6) Garden walls – Type; Location:	There are no gardens or garden walls.

(7) Retaining walls – Type; Location:	None
(8) Display pools and fountains:	None

G. BUILDING SIZE

1.	Total Height:	Approximately 162 feet
2.	Crawl Spaces (floor to ceiling, height):	There are no crawl spaces.
3.	Number of Sub-cellars and cellars:	There are no sub-cellars. Only one (1) cellar
4.	Number of Floors Above Grade and number of units:	14 plus mezzanine and roof bulkhead above grade floors; 17 commercial units
5.	Equipment Rooms	Cellar Level: Pump Room (House pumps to sprinkler tank and domestic water) Boiler Room (Boiler and related equipment) Oil Tank Room (Oil tank) Meter Rooms (Gas meters and water meters) Electrical Room (Service and distribution equipment) Mezzanine Floor: Mechanical Room (Air handling unit) Third Floor: Mechanical Room (Air handling unit) Sixth Floor: Mechanical Room (Air handling unit) Tenth Floor: Mechanical Room (Air handling unit) Eleventh Floor: Mechanical Room (Air handling unit) Fifteenth Floor: Mechanical Room (Air handling unit) Roof:

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	Sprinkler Pressure Tank Room (Sprinkler pressure tank) Two Elevator Machine Rooms (Passenger and freight elevator equipment)
6. Parapet Height Above Roof:	Parapets vary in height from 20 to 42 inches and greater. See Special Risk 8.

H. STRUCTURAL SYSTEM

Foundation System:

- Foundation walls are existing reinforced cast-in place concrete resting upon reinforced cast in place concrete footings. The foundation walls appear to be original to the building construction. It is unknown if there have been any additions or alterations to the foundation walls since the original construction. There is no apparent potential danger of building structural failure or any other hazardous conditions. There is no apparent need of structural bracing or shoring work.

Underpinning:

- It is unknown if there are underpinning provisions provided beneath the Building footings. There are no evidences of cracking or displacement any other conditions along foundation walls or within the Building or which would be indicative of any deficiencies in footings/underpinning and/or settlement issues.

- It is unknown if there is a sub-grade drainage system. It is further unknown as to the method of waterproofing at the foundation wall. It is noted that there are no evidences of water intrusion through the foundation walls or within the cellar.

Structural System:

- The Building superstructure is existing. The structural system consists of a conventional steel frame superstructure encased in concrete for fireproofing. The steel frame is comprised of girders, beams and columns. Exterior walls are comprised of fire rated materials and brick masonry. The floor system consists of reinforced concrete slab spanning between floor beams. No adverse conditions observed with regard to the building structural system.
- It is unknown what provisions are provided for sound insulation or any information that relates to STC ratings of building components.

(1) Exterior of Buildings:

(i) Walls:

The Building's exterior consists of brick, stone, terra cotta and pre-cast concrete. Some of the exterior wall surfaces have existing coatings.

The exterior wall along West 39th street (north facade) consists of primarily of brick with various decorative components comprised of stone and terra cotta. Exterior walls are in acceptable condition. Pursuant to the 8th Cycle NYC FISP/Local Law 10/11 requirements the building facades are in "SAFE" condition. Based on this no significant repair work is identified. The (R) value for each type of exterior wall is unknown and not apparent from a cursory visual survey. See Special Risk #26

There are window openings on all facades. There are steel lintels supporting the masonry above the openings. The lintels are attached to the interior steel beams. The window sills are made of stone and/or brick. Lintels are typically in acceptable condition. Windows are typically in acceptable condition except as noted under Special Risk #27. The window manufacturer and existence of any warranty is unknown. Windows appear to be of older generation typically. Windows are a mix of thermal break (double pane) assemblies and some non-thermal break (single pane) assemblies. There are screens at some windows. Window guards are not provided and not required for commercial or manufacturing occupancies.

Parapets are provided atop each facade. The parapet facing the street is topped with pre-cast concrete or terra cotta copings. The sides and rear parapets are topped with pre-cast concrete or clay camel back copings. Parapets are in acceptable condition other than some walls are deficient in height – See Special Risk 8.

The Building staff does not report any active leaks with regard to exterior walls.

Local Law 10/11 (FISP):	The New York City Façade Inspection Safety Program, FISP (formerly known as Local Law 11/98) applies to buildings greater than six (6) stories.
Current Local Law 11 (FISP) Status:	The FISP Cycle 8B report indicates a "SAFE" status for the Building facades. The current FISP Cycle 9B report due in 2023 has not yet been performed. See Special Risk 7.
New York City/State Energy Conservation Code Compliance:	If the building is renovated it will need to comply with the requirements of the New York City Energy Conservation Code (NYCECC); in that event, the exterior walls will need to be upgraded to comply with the NYCECC.

(ii) Windows:

Window – Type; Material:	The Building has existing steel and replacement aluminum windows. Above the 6th floor most of the existing steel frame, single glass pane windows were replaced with double hung aluminum windows. Those replacement windows appeared to be in acceptable condition. Older generation steel windows remain at the cellar and at bulkheads and will need replacing typically. See Special Risk 10.

Sill – Type; Material:	Brick masonry/ stone/ metal cladding.
Window Guard – Type; Material:	None; none are required.
Lintel – Type; Material:	Steel lintels are in acceptable condition
Storm Window – Type; Material:	None
Sash – Type; Material:	Aluminum, wood or Steel frame.
Hardware – Type; Material:	Counterbalances, Sliding Mechanism, Cranks, Hinges, Lifting Rails, Sash Locks with Keepers, Latches, Security Locks and Limiting Stops are part of the existing manufactured windows. The hardware material is steel and/or aluminum. Hardware is in acceptable condition.
Glazing Type (single, double):	Replacement windows are typically double pane, original steel or wood windows are single pane in acceptable condition.
Caulking - (Y/N):	Y
Lot Line Windows: Indicate any potential future problems:	There are lot line windows located on the east exterior wall. Windows are subject to immediate or closure as a result of the on-going adjacent property high-rise building construction. See Special Risk 14.

(iii) Landmark Status:

Landmark Status: (http://gis.nyc.gov/doitt/nycitymap/)	The Building is not an individual Landmark or within a Landmarked district.
Consequences:	N/A

(2) Parapets and Copings:

Type of Material:	Parapets are brick masonry; outboard side is exposed masonry and/or stone; inboard side is exposed masonry. Parapets are topped with masonry, metal or terra cotta copings and the street parapet is covered with aluminum or masonry coping segments.
Condition of Wall:	Generally, parapets are considered to be in acceptable condition, the wall has undergone various repairs. Repointing and sealant replacement were done at various locations. A periodic inspection by a qualified exterior wall inspector will be required as is routine every 5 years for exterior maintenance and repairs.

Condition of Flashing:	Metal counter flashings above roof level were provided new during the roof replacement campaign. The metal flashing and reglet joint sealant are in good condition.

(3) Chimneys and Caps:

Number of Chimneys:	Three
Material of Chimneys:	Brick Masonry or Black Iron Steel.
Purpose of Chimneys: Boiler / Incinerator / Compactor / Fireplace / Other	One brick chimney serves the boiler, two black iron steel flues serve two respective 1st floor restaurant exhaust hoods. Repairs are required. See Special Risk #23.
Condition of Chimneys:	Brick Chimney- acceptable, Metal Chimneys- Fair. No repairs currently needed.
Location of Chimneys:	Bulkhead and main and setback roof levels
Fireplaces:	None

(4) Balconies and Terraces:

	Not Applicable. There are no balconies or terraces at this property, only inaccessible setback roofs.	Not Applicable
i.	Deck Finish:	
ii.	Balustrade:	Not Applicable
iii.	Railings:	Not Applicable
iv.	Copings:	Not Applicable
v.	Soffits:	Not Applicable
vi.	Doors to balconies and terraces:	Doors provided to access setback roofs (where provided) comprise solid panel steel frame hollow metal construction and are in acceptable condition with no repairs required. Setback roofs are unusable as terraces as they are kept locked as they lack any finished walking surface and are utilized by staff for maintenance purposes only. All such roof areas are general common elements and not accessible by unit owners.

(5) Exterior Entrances:

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Description of Exterior Doors / Frames – Type; Material:	There is a double glass doorway with transom above at the main entrance at the sidewalk level, which provides access to lobby and elevators and stairs which is in acceptable condition. Floors above are access by both elevator and stair. The service entrance is comprised of a double leaf hollow aluminum door with glass vision lites which is in acceptable condition. The first floor Commercial Units have exterior aluminum frame and glass storefronts with doors set within to provide direct access to these spaces which are in acceptable condition The age of exterior doors/frames is unknown, there are no deficiencies or required repairs identified.
(i) Exterior Doors / Frames Lock – Type; Material:	Glass and aluminum. Key lock on the exterior side. Magnetic automatic closer and stick bar handles.
(ii) Vestibule Doors / Frames – Type; Material:	None.
(iii) Exterior Stair – Type; Material:	None.
(iv) Railings – Type; Material:	None
(v) Mailbox - Type; Location:	There are no mailboxes. The mail is delivered directly to unit owners/tenants.
(vi) Lighting – Type; Location:	Wall sconces.

(6) Service Entrances:

i. Doors / Frames – Type; Material; Lock:	The Building service entrance is adjacent to the main lobby entrance. The service entrance is comprised of a double leaf hollow aluminum door with 5” x 20” vision lite and glass. The doors lock after hours via maglocks. Building is accessible via FOB key. Maglocks can be overridden with keyed locks at bottom of doors. Doors and associated hardware are in acceptable condition. The age of service doors/frames is unknown, there are no deficiencies or required repairs identified.

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ii. Gates – Type; Material:	Each of the ground floor commercial units has a manual/mechanical overhead steel roll down gate which are in acceptable condition. The age of gates is unknown, there are no deficiencies or required repairs identified.
iii. Exterior Stair Location:	None
iv. Railings – Type; Material:	None

(7) Roof and Roof Structures

i. Type Roofs for all areas:	
a) Material:	The roof assembly consists of an asphalt felt multi-ply roofing membrane. The age, life expectancy, manufacturer, and existence of any warranty for the building roof systems are unknown. Roofs throughout are in acceptable condition. There are no reported leaks at roofs.
b) Insulation Size, Type, R-Value:	Unknown
c) Surface Finish:	2-ply asphalt felt membrane with granulated cap sheet.
d) Bond or guarantee:	None
e) Flashing and Counter Flashing Material:	The roof base flashing is integral with the roof covering system. Penetration flashing typically consists of same material as roof membrane. Combination of asphalt felt membrane and aluminum or copper reglet flashing. Flashings are in acceptable condition.
New York City/State Energy Conservation Code Compliance:	It is unknown if the present roof system is in compliance with the applicable New York City Energy Conservation Code requirements in effect at the time of installation. Upon re-roofing at the eventual end of the current roof's useful lifespan, the new roof will be required to be in compliance with the current New York City Energy Conservation Code.

(ii) Drains:

a) Location(s), material and type:	Main roof has three existing drains. The sixth floor setback roof has one existing drain. All drains are cast-iron with debris screen. Setback roofs where visible typically have area

	drains. Drains are in acceptable condition and existing to remain as is.
b) Gutters and Leaders – Type; Material:	Bulkhead roof has one gutter connected to four metal leaders; bulkheads drain to main roof.
Adequacy of Drainage:	Visually the roof drainage appears adequate with roof pitched to drain; no areas of standing water was evident at the time of inspection.
(iii) Skylights: Location(s) type, material and Size(s):	Skylights are provided atop stair and elevator bulkheads. Skylights are approximately 4' X 9' comprised of pyramidical steel frame construction with wire glazing panes. The skylights are in acceptable condition.
(iv) Bulkheads: a) Stair Bulkheads:	There are two stair bulkheads which are part of the mechanical penthouse which provide access to the main roof and are in acceptable condition. The bulkhead's exterior walls consists of brick masonry The bulkhead roofs are flat and are covered with asphalt felt membrane sloped to drain. Existence of underlying Insulation is unknown. Roofs are in acceptable condition. There is a gutter around the mechanical penthouse to collect storm water with a leader discharging on the main roof. Gutters are in acceptable condition and existing to remain as is.
b) Elevator Machine Room Bulkhead.	There is an Elevator Machine Room (EMR) Bulkhead is located atop the mechanical penthouse. The bulkhead comprises masonry walls and was observed to be in satisfactory condition. The exterior wall assembly consists of full thickness masonry.

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	The roof structure comprises of cast in place concrete slabs. The roof covering system consists of an multi ply asphalt felt membrane. The roof slopes to the main roof for drainage. Access to the elevator machine room is via a fixed steel ladder. There is an unpainted metal hollow door at the top of the ladder providing access to the EMR. The door and hardware are in working order.
c) Other; Boiler Room Bulkhead.	None

(v) Metal work at roof levels:

a) Exterior, metal stairs:	Metal ladders provide access to the mechanical penthouse/bulkhead roofs which are in acceptable condition. There are no repairs or replacements anticipated.
b) Vertical Ladders, including gooseneck:	There are vertical ladders providing access to various roof levels which are in acceptable condition. There are no repairs or replacements anticipated
c) Railing:	There are metal railings at the exterior perimeters of the metal stairs or some roofs for fall protection. See Special Risk 12.
d) Hatches to Roof – Type; Material:	None
e) Other:	Metal platforms accessory to stairs which are in acceptable condition.

(vi) Rooftop Facilities

There are no occupied roofs or terraces at the building. All roofs are utilized by building service personnel only and have no occupancy or use by building occupants. There are no rooftop amenities for building occupants.

There are two water tanks above the roof. Each tank is supported by steel dunnage. The steel support is in acceptable condition.

(8) Fire Escapes

There are no fire escapes at the subject Building.

(i) Location:	None

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(ii) Floors Covered:	N/A
(iii) Drop Ladder:	N/A.
(iv) Type:	N/A
(v) Material:	N/A

(9) Yards and Courts

There are two small general common element yards at the rear of the Building. Other than these small yards, the Building footprint occupies the entire lot. Yards can be accessed by means of setting-up of temporary ladders leading to the roofs above. The yards are approximately 8' X 8' (64 square feet) and 8' X 9' (72 square feet) approximately. Concrete paving at yards is in acceptable condition.

(i) Paving – Type; Material:	Concrete
(ii) Drainage – Type; Material:	Cast iron area drain. Drainage is in acceptable condition and existing to remain as is.
(iii) Railings – Type; Material:	Not Applicable
(iv) Stairs – Type; Material:	Not Applicable
(v) Fencing – Type; Material:	None
(vi) Wall – Type; Material:	Not Applicable

(10) Interior Stairs

(i) Number of Stairs of Each Type:	There are 2 fire stairs providing access to each floor which serve as means of egress to each respective floor. The stairways extend from the 1st floor to all floors and the main roof level. Separate stairs access the cellar.
(ii) Enclosure (Construction and Interior Finishes):	Stairs are enclosed on all sides by fire rated materials including masonry and/or, gypsum plaster interior and paint finish. Enclosing walls typically would be of 1 hour fire rated construction. There are no replacement or repairs anticipated except as noted in Special Risk 13.
(iii) Stair Construction:	Stairways comprise steel pan construction with steel stringers and risers and concrete filled steel pan treads. Stairs are in acceptable condition. No replacement or repairs are anticipated.
(iv) Stringer Material:	Steel.
(v) Tread Material:	Concrete topping within steel pans.
(vi) Riser Material:	Steel
(vii) Hand Rails Material:	Painted steel

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(viii)	Balustrade Material:	None

(11) Interior doors and frames:

Existing ingress and egress doors are believed to meet fire code requirements where required; upon inspection tags were typically not visible and the fire ratings could not be confirmed. Generally, interior doors and frames are in acceptable condition with no necessary repairs apparent.

(i) Unit entrances:	There are no common public corridors or elevator lobbies above the first floor. The egress stairways and the elevators discharge occupants directly into each respective floor level units. There are egress corridors at the cellar and first floor providing access from the fire stairways to the exterior. 1st floor Commercial Units are provided ingress and egress via doorways within storefronts directly from the public sidewalk along West 39th Street
(ii) Corridor Doors and Frames:	Hollow metal doors and frames.
(iii) Fire Stair Ingress and Egress Doors:	Hollow metal doors and frames.
(iv) Roof Doors and Frames:	Hollow metal doors and frames.
(v) Cellar Doors and Frames:	Hollow metal doors and frames.

(12) Elevators

(i) Numbers of Passengers and Service Elevators :	There are three (3) existing elevator cabs serving the Building, two passenger and one freight. There is a machine room for the two (2) passenger elevators located at the roof level within a bulkhead and another machine room for the one (1) freight elevator located at the roof level within a bulkhead. There are elevators pits located at the cellar level. Modernization of all elevators were performed within the past 6 years and elevators are in acceptable condition. All elevators are existing to remain as is and have an expected remaining useful life of 15-20 years according to ASHRAE. Useful life can be extended with proper maintenance. Warranty information is unknown.
(ii) Manufacturer, age of each and capacity:	Hollister-Whitney Elevator Corporation Approximately four years old. 2300lbs for each

	of the two (2) passenger elevator and 3300lbs for one (1) freight elevator.
(iii) Type of operation for each elevator-by-elevator number or location in the building:	Elevator #1 and #2 are passenger elevators and elevator #3 is freight.
(iv) Automatic:	Yes
(v) Floors Served:	Passenger elevators serves 1st floor and 3rd through 15th floor. Freight elevator serves cellar, 1st floor, and 3rd through 15th floors.
(vi) Type:	Overhead geared traction
(vii) Doors:	Automatic doors.
(viii) Location of Machine Rooms:	Roof level within a bulkhead.
(ix) DC Motor:	N/A
(x) Ac motor-generator set:	PM-AC Gearless Elevator Machine, Hollister-Whitney Elevator Corp.
(xi) Other:	N/A

(13) Elevator Cabs

(i) Kind (manufacturer):	Hollister-Whitney Elevator Corporation. Modernization of all elevator cabs were performed within the past 6 years and elevator cabs are in acceptable condition. All elevators cabs are existing to remain as is and have an expected remaining useful life of 15-20 years according to ASHRAE. Useful life can be extended with proper maintenance. Warranty information is unknown.
(ii) Floor:	Vinyl tile for passenger elevators and metal for freight elevator.
(iii) Walls:	Metal
(iv) Ceiling:	Metal Panels
(v) Lighting:	Lighting at the ceiling of the cabs is comprised of recessed lighting fixtures
(vi) Alarm, safety system:	Each elevator cab is provided with one control panel containing the following buttons: alarm, emergency call, emergency stop, door open, door close, L, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, PH service button and Fireman Service Mode which is activated by a key. The freight elevator also contains the button B for the cellar level.

I. AUXILIARY FACILITIES

1) Laundry Rooms	
(i) Laundry Rooms – Location; Number:	None
(ii) Clothes Washers – Number; Type: (iii) (heavy duty; coin operated; electric)	None
(iv) Clothes Dryers – Number; Type: (v) (heavy duty; coin operated; electric; gas)	None
(vi) Room Ventilation – Method; Final Exhaust:	None
(vii) Dryer Ventilation – Method; Final Exhaust:	None

2) Refuse Disposal	
(i) Incinerator – Number; Location:	Not Applicable
(ii) Compactors – Capacity; Manufacturer:	Not Applicable
(iii) Approvals by Authority having Jurisdiction (date):	Not Applicable
(iv) Initial Storage Location (ultimate storage location):	The freight area located on the first floor level is the garbage area. There is no trash chute. Liberty Waste Management picks the refuse from inside the freight area.
(v) Pick-up Schedule, and whether public or private provider:	Every night trash and recycling are picked up. Trash pick-up is provided by Liberty Waste Management
3) Bike Storage	None
4) General Storage for Unit Owners	None
5) Mail/Package	None

J. PLUMBING AND DRAINAGE

(1) Water Supply
There is a 3'' domestic water main entering through the cellar level from 39th Street. There is no backflow preventer device connected to the supply piping as required by the NYC DEP Cross Connection Control Unit – see Special Risk 25 for more information. Hot water is supplied via electric water heaters installed and maintained by each commercial tenant. The electric water heaters vary in manufacturer, model, capacity, age, condition, and anticipated remaining lifespan. Hot water heaters were generally observed to be in acceptable condition with no repairs apparent at this time. Warranty information is unknown. Water heaters are existing to remain as is.

The domestic cold water is supplied by a combination of street pressure and a roof house tank. The water services piping where observed was copper, and the thickness and material of the insulation varies throughout. Based on information obtained from Building staff, the main shut-off

valve is located in the cellar. There are two existing water pumps in the cellar that feed the roof tanks. There is existing sanitary, sewer, and storm drainage that serves the Building.

(2) Fire Protection System

There is an existing house pump manufactured by Baldor with the Catalog NO. M3312T that was reported by Building staff to serve the sprinkler roof tank. The pump is built in 1987 according to the manufacturer and is past its expected useful life. Useful life can be extended with proper maintenance. See Special Risk 24 for more information. Warranty information is unknown.

(i) Standpipes – Material; Size; Location:	There is an existing standpipe riser in the egress stairwell.
(ii) Hose Racks and Nozzle Locations:	There are existing hose racks at each floor level and in the stair lobby. No hose rack cabinets were observed in the Building. See Special Risk 15 for more information.
(iii) Sprinkler Heads – Type; Location:	The Building has existing sprinkler coverage with different head types that vary throughout the Building – See Special Risk 24.
(iv) Siamese Connection – Type; Location:	There is an existing Siamese (for standpipe and sprinkler systems) connections on 39th Street (in front of the Building).

(3) Water Storage Tank and Enclosures

(i) Water Storage Tank – Number; Type; Location:	There are two (2) exterior water tanks on the roof for domestic water and sprinkler/standpipe reserve use. The domestic water tank appeared to be installed within the past 10 years and is in acceptable condition. The age of the sprinkler roof tank is unknown and requires maintenance. There is additionally one (1) interior tank for sprinkler pressure that is in acceptable condition. Tanks are existing to remain as is.
(ii) Water Storage Tank Materials (Int / Ext / Roof):	Wood or Steel
(iii) Access to Tank:	Roof
(iv) Tank Capacity:	10,000 gallons for exterior tanks, 7,500 gallons for the interior sprinkler tank.
(v) Capacity Fire Reserve:	Estimated 7,500 Gallon Sprinkler/Standpipe Reserve

(4) Water Pressure and how maintained:

(i) Booster Pump - (Y/N):	Y; Based on information from the Building staff, the existing Grundfos model 37E354X48 pump feeds the domestic water tank. The exact age of the pump could not be identified but appears to be nearing the end or past its useful life.

	Pump is existing to remain as is. See Special Risk 24 for more information.
(ii) City / Water Main Pressure - (Y/N):	Y
(iii) Other:	Not Applicable

(5) Sanitary Sewage System

(i) Sanitary Piping Materials:	The stacks and main piping for the sanitary system are cast iron no-hub piping. The sewer main is 6''. Leaks have not been reported or observed. The branch waste and vent piping at fixtures are in acceptable condition and existing to remain as is. The exposed sewage piping is in acceptable condition and existing to remain as is.
(ii) Sewage Pump (if any):	Yes. Sewage ejector pump is in acceptable condition and existing to remain as is. The age of the sewage ejector pump is unknown. Sewage ejector pumps have an estimated useful life expectancy of 30-50 years. Useful life can be extended with proper maintenance.
(iii) Sewage Disposal: (public, private, treatment, drain-field, sewer)	The combined house sewer connects to the combined street sewer. The sanitary drainage and vent system is conventional gravity drainage system which flows from the vertical stacks to house sewer at cellar level which is piped to the City sewer after being combined with the Building storm drains. The one (1) sewer exits the Building along 39th Street.
(6) Permit(s) Required	No permits required for the plumbing system.

(7) Storm Drainage System

(i) Catch Basin Locations:	There are catch basins along West 39th Street
(ii) Yard and Roof Drain Locations:	All drainage is internal.
(iii) Piping Materials:	Cast iron no-hub piping. Storm main is estimated at 6''.

(iv) Eject or Sump Pumps:	Sump pit and pump are located within the Boiler Room at the cellar level. The pump was reported to be working but appears to be past its useful life. Useful life can be extended with proper maintenance. Sump pump is existing to remain as is. See special risk 28 for more information.

K. HEATING

The heating system is comprised of one (1) existing AL Eastmond & Sons 3,348 MBH boiler provided with natural gas and an oil supply line connected to a recently installed and in fair condition #2 1080-gallon capacity oil steel tank with unknown gauge. The oil tank is new and not need of repairs. The oil tank was installed within the past two years and has an expected remaining useful life of about 20 years according to ASHRAE. Useful life can be extended with proper maintenance. The boiler and oil tank are existing to remain as is. The energy efficiency and warranty information are unknown. The boiler and oil steel tank enclosure are located in the cellar of the Building. The boiler feeds a steam system terminating at cast iron radiators within commercial units and the Building's common spaces excluding the lobby. The main lobby is currently heated by a Daikin Model # FXTQ36TAVJUAAA vertical air handling unit located on the Mezzanine floor. The air handling unit is in fair condition and existing to remain as is. The boiler was built in 1984 and is past its expected useful life. Useful life can be extended with proper maintenance. See Special Risk 20 for more information. The boiler system is controlled by a Steamiser Controller. The heating's system appears to be able to maintain the required minimum temperature of 68° F.

Hot water is supplied via electric water heaters installed and maintained by each commercial tenant. The electric water heaters vary in manufacturer, model, capacity, age, condition, and anticipated remaining lifespan. Hot water heaters were generally observed to be in acceptable condition with no repairs apparent at this time. Warranty information is unknown. Water heaters are existing to remain as is.

Per the NYC 1968 Building Code [C26-1408.1] 27-807 Air Supply, at least 36 cfm of air per gallon of oil per hour required to fire the burner must be provided to the space. The fan in the boiler room demonstrated extensive rust and did not appear to be operable. Air supply should be provided that meets NYC Building Code requirements. See Special Risk 20 for more information.

(i) Number of Boilers and Description:	One (1) AL Eastmond & Sons Gas Fired Boiler
(ii) Boiler – Manufacturer; Model:	AL Eastmond & Sons Steam Firetube Boiler, Model # 173-77E Serial # 1594
(iii) Boiler Capacity:	3,348 MBH
(iv) Age of Boiler:	Manufactured in 1984
(v) Approx. Remaining Useful Lifespan of Boiler:	0 Years according to ASHRAE
(vi) Burner – Manufacturer; Model:	Industrial Combustion Burner Model Number MM-42P

(vii) Burner Type:	Dual fuel - #2 oil, natural gas
(viii) Age of Burner:	Circa 1984 (similar to boiler).
(ix) Approx. Remaining Useful Lifespan of Burner:	0 Years – See Special Risk 20.
(x) Type of Controls:	Steamiser Controller
(xi) Radiators:	Radiators in existing locations throughout the Building.
(xii) Piping:	Existing
(xiii) Insulation:	Insulation appeared to be in acceptable condition
(xiv) Valves:	Acceptable condition
(xv) Pumps:	N/A

L. GAS SUPPLY

There is existing natural gas service supplied from Consolidated Edison via a 3'' gas main. There are three (3) gas meters; one (1) for the Building and two (2) for two of the restaurant commercial units on the ground floor. The two (2) gas meters for the two commercial restaurants units are located in the cellar level of one of the Retail Units.

(i) Type:	N/A
(ii) Meters:	There are three (3) gas meters; one for the Building and two (2) for two of the restaurant commercial units on the ground floor.
(iii) Piping:	Black Iron.

M. AIR CONDITIONING

There is no central cooling system. Cooling for the Building's lobby is provided by a Daikin model RXTQ36TAVJU condensing unit located on the third-floor setback roof. The Daikin unit is in fair condition and based on manufacturer's literature has an energy efficiency rating of 12.0. Foam insulation is installed on piping. Warranty information on the unit is unknown. Cooling for the Commercial Units have a mix of individual packaged ducted air handling units and split system units, and one air-cooled package unit that are controlled via thermostats. The units vary in age, manufacturer condition, and anticipated remaining lifespan. Warranty information is unknown. Outdoor cooling units are located on the ground floor, third floor and twelfth floor setback roofs, and on the sixth floor roof and roof. All outdoor units are installed on steel dunnage or mounted to the wall. Excessive corrosion was not observed for exterior metal used for the cooling units, but it is unknown if the exterior metals are corrosion resistant. Exterior piping insulation is made of foam and the R-value of the exterior piping insulation is unknown. Individual packaged air handler units are located in rooms on the third, sixth, tenth, eleventh, and fifteenth floor. The Commercial Units cooling units are installed and maintained by the tenants. Cooling for the super's office is provided by a through wall Friedrich air conditioning unit. All units are existing to remain as is. No representation is made regarding the various units' adequacy to maintain comfortable conditions. Purchasers are advised to inspect the units to ensure adequacy.

Cooling for both elevator machine rooms is provided by a Daikin heat pump unit Model 4MXS36NMVJU connected to two interior Daikin units. Based on manufacturer's data, the outdoor Daikin unit has an energy efficiency rating of 9.2. Exterior piping insulation is made of foam and the R-value of the exterior piping insulation is unknown The interior Daikin unit serving the elevator machine room for the two passenger elevators is model FTXS24LVJU and the other interior Daikin unit serving the combined passenger and freight elevator machine room is model FTXS15LVJU. Units serving the elevator machine room are in fair condition and existing to remain as is. Warranty information is unknown. The unit serving the elevator machine is existing and has been in operation for approximately five years. The unit appears to be adequately maintaining the temperature in the elevator machine rooms.

(i) Type of AC System:	Individual packaged air handlers, split system packaged units, and an air-cooled package unit have generally been installed and maintained by tenants. All units are existing to remain as is.
(ii) Central System – Manufacturer; Model; Capacity:	No central cooling system.
(iii) Cooling Towers; Condensers:	No cooling towers on site. Various manufacturer, models, and capacities for condensing units. All units are existing to remain as is.
(iv) Individual Units Covered by the Offer - Window or Sleeve; Amperage; Efficiency:	Unknown

N. VENTILATION

Vent System in Kitchen:	There are no kitchens in the commercial units. The retail spaces on the ground floor are responsible for their own ventilation.
Vent System in Fireplaces:	There are no fireplaces present within the Building.
Vent System in Windowless Areas; Corridors:	Some Commercial Units have corridors. There is no existing ventilation in the corridors. The NYC Building Code requires windowless corridors to have adequate ventilation. See Special Risk 28 for more information.
Vent System in Windowless Areas; Garages:	There is no garage.
Vent System in Windowless Areas; Laundries:	There are no laundry rooms.
Vent System in Windowless Areas; Baths:	There is an existing to remain as is exhaust fan on the roof that appears to be connected to an exhaust shaft. Some of the toilet spaces have exhaust grills that appear to be connected to

	the exhaust shaft. The exhaust fan on the roof demonstrated extensive rust. The operable condition, cfm, and noise emission rating of the fan is unknown. There are toilet spaces that do not contain exhaust grills. Mechanical exhaust in toilet spaces is required as per the NYC Building Code. See Special Risk 19 for more information.
Vent System in Windowless Areas; Boiler Room:	Ventilation is provided via a fan routed to the outside of the Building. The fan demonstrated extensive rust and did not appear to be operable. If the existing fan is not capable of providing at least 36 cfm of air per gallon of oil per hour required to fire the burner, then the ventilation for the boiler room is unsatisfactory. The fan should be repaired or replaced to ensure it is capable of providing at least 36 cfm of air per gallon of oil per hour required to fire the burner in the Boiler Room. See Special Risk 20 for more information.
Vent System in Windowless Areas; Mechanical Rooms:	None.
Vent System in Windowless Areas; Superintendent Office	There is no existing ventilation. The NYC Building Code requires the windowless superintendent office to have adequate ventilation. See Special Risk 28 for more information.
Vent System in Windowless Areas; Electrical room:	There is no existing ventilation.

O. ELECTRICAL SYSTEM

1) Service from Main Service Switchgear; Amps; Voltage; Phases; Wire; Protective Equipment:	There is existing electrical service by Con Edison. The utility supplies the Building with (4) 4" conduits each housing 4#500MCM, which is rated for 1520A, 208/120V, 3-phase, 4-wire service, enters at the cellar level and terminates at the service end box. The point of entry box and main service switch with end box and CT cabinet is well over 50 years old and surpassed its anticipated useful life expectancy. See Special Risk 17 for more information. This is a master metered system with submetering for all units. The electrical system has a 4000A main switch after the current transformers (CT's). There are two (2) service taps after the CT's which feeds two (2) service switches. SW #1 is a bus tapped switch rated 2000A at 208Y/120V, 3-phase, 4-wire. This switch feeds

		the fused distribution board. The fused distribution board feeds the commercial floor 2nd to 7th with three (3) 400A rated fuses, 8th to 14th with three (3) 400A rated fuses, 5th to 10th floor with three (3) 400A rated fuses, PLP loads and elevators with three (3) 400A rated fuses, 5th to 10th floors with three (3) 100A rated fuses, 15th to penthouse floor with three (3) 200A rated fuses, commercial restaurant space with three (3) 175A rated fuses, and basement to 1st floor with three (3) 175A rated fuses. SW #2 is a bus tapped switch rated 1600A at 208Y/120V, 3-phase, 4-wire. This switch feeds the switch distribution board. The switch distribution board feeds the 3rd floor with 200A rated switch, 4th to 5th floors with 400A rated switch, 12th to 14th floors with 400A rated switch, one commercial restaurant space with 400A rated switch, and the other two (2) commercial restaurants spaces with 100A rated switch for each. Each protective device is provided with fuses or circuit breakers according to connected load.
2)	Service to Individual Units (risers, etc.):	Each unit is fed from the basement installed in conduit; the size of the feeder could not be observed at the time of HLZA's visit. Each feeder appears to be connected to the appropriate dedicated Con-Ed meter for each unit.
3)	Compartment Switch Gear (location and floor of sectional meter boards and transformers supplying power to the meter boards):	All service switches feed their respective electrical meter & distribution banks.
4)	Unit Service (ratings of fuses and circuit breakers); Unit Service (adequacy of electrical system to handle modern usage and appliances such as AC, dishwashers, and dyers):	Units are protected by individual riser protection breakers. Most of the feeder circuit breakers for each unit are sized at 200 Amps (208 Volts). The current electrical service is capable of powering the appliances provided to the unit. The existing electrical service capacity appears to be adequate.
5)	Adequacy:	
(i)	Service - Average number of circuits per apartment and capacity to handle modern appliances – specifically air conditioners, dishwashers and electric dryers:	Not Applicable. No generator provided.

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(ii) Lighting and Fixtures:	Combination of existing CFL and LED fixtures. The internal stairwell lighting is LED fixtures with integrated battery backups.
(iii) Convenience Outlets; Appliance Outlets:	Existing convenience outlets are provided throughout each floor.

P. INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

Mode of Operation and Condition:	There is an existing intercom communication system for access to the Building. It is in acceptable condition and existing to remain as is.
Television Reception Facilities: (Master Antennae, Cable, Tenant Antennae)	None
Security Cameras	There are existing to remain as is security cameras in the main lobby, freight lobby, and roof. Security cameras are in acceptable condition. The manufacturers, model numbers, and warranties are unknown.

Q. PUBLIC AREA LIGHTING

The lobby is provided with one existing pendant fixture as well as ceiling recessed lighting. Cellar common spaces are typically provided with surface mounted strip fluorescent or LED lights. All lighting appears to be adequate and comply with applicable code. Emergency lighting is provided throughout the lobby and stairs; and typically consists of ceiling lighting fixtures equipped with emergency power supply ballast. The manufacturers and models for the lighting are unknown and all lighting is existing to remain as is.

R. GARAGE AND PARKING AREAS

There are no garages or parking areas on the premises.

S. SWIMMING POOLS

There are no swimming pools.

T. TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

Tennis Courts:	Not Applicable
Playgrounds:	Not Applicable

HLZA

Other recreational facilities: Not Applicable

U. PERMITS AND CERTIFICATES

Permits	Date Issued	Issuing Authority	Duration of approval
Boiler Registration - Certificate to Operate	N/A	New York City Department of Environmental Protection	N/A
Certificate of Occupancy #	#24500	New York City Department of Buildings	Permanent- No Expiration
Elevator Certificate- Elevator # 1P13092	Last inspection Date- 08/26/2021	New York City Department of Buildings	
Elevator Certificate- Elevator # 1P13093	Last inspection Date- 08/26/2021	New York City Department of Buildings	
Elevator Certificate- Elevator # 1P13094	Last inspection Date- 08/26/2021	New York City Department of Buildings	

Inspections:

- Boiler Inspection (annually, NYC Department of Buildings)
- Elevator CAT-1 inspections (annually, NYC Department of Buildings)
- Elevator CAT-5 inspections (every 5 years, NYC Department of Buildings)
- Sprinkler Systems Inspections (monthly, FDNY)
- Sprinkler System Flow Test (annually, FDNY)
- Standpipe Hydrostatic Pressure Test and Flow Test (every 5 years, FDNY)
- Building Façade Inspections (every 5 years, NYC Department of Buildings)
- Energy Consumption Benchmark Reporting (annually, NYC Department of Buildings)
- Fire Alarm Testing (annually, FDNY)

V. VIOLATIONS

The are 17 Open DOB Violations. Corrective work is required to satisfy these violations. Violations exists on DOB records regarding the failure to file a benchmarking report as per

Article 308 Section 28-309.4. A benchmarking report should be conducted and filed for the Building.

Filing Date	Violation Number. and Type
11/01/2006	NRF00907 – Photoluminescent
03/31/2008	NRF00364 – Emergency Power
08/30/2013	00590 – FISPNRF - No Report and / or Late Filing (Facade)
06/30/2015	HAZ75791 – FISP - Facade Safety Program
06/30/2015	HAZ85792 – FISP - Facade Safety Program
01/03/2017	01497 – ACC1 - (Other Bldgs Types) - Elevator Affirmation Of Correction
01/03/2017	01498 – ACC1 - (Other Bldgs Types) - Elevator Affirmation Of Correction
01/03/2017	01499 – ACC1 - (Other Bldgs Types) - Elevator Affirmation Of Correction
08/15/2012	ACC200214 – E - Elevator
01/26/2018	01536 – ACC1 - (Other Bldgs Types) - Elevator Affirmation Of Correction
09/03/2019	NRF00154 – LL2604S - Sprinkler
08/14/2020	9027/686785 – E - Elevator
08/14/2020	9027/686786 – E - Elevator
08/14/2020	9027/686787 – E - Elevator
11/02/2020	00101– BENCH - Failure To Benchmark
02/02/2021	00071 – BENCH - Failure To Benchmark
06/20/2021	10066 – EARCX - Failure To Submit EER

There are 5 Open ECB Violations.

Violation No.	Date	Severity Item
37022729M	11/01/2021	Non-Hazardous - Failure to Complete Installation of Full System of Automatic Sprinklers.
37019775X	07/13/2020	Non-Hazardous - Failure to Complete the Installation of a Full System of Automatic Sprinklers and File a Final Sprinkler Report Prepared by a Registered Design Professional.
37016299K	11/15/2019	Non-Hazardous - Failure to Complete the Installation of a Full System of Automatic Sprinklers and File a Final Sprinkler Report Prepared by a Registered Design Professional.
36011788M	01/27/2010	Non-Hazardous - Failure to File an Architect / Engineer Report Certifying Exit / Directional Signs Are Connected to Emergency Power Source / Storage Battery Equipment.

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32049692X	05/15/2007	Non-Hazardous - B4A16,24B,28AB,32A,34A,48A,42,50,50ABCDEF.50-Missing Backflow/Check Valve On Water Feed Line.50a-Sail Switch Not Working.50b-Missing Shut Of Valves On Oil Pressure Gauges.50c-Boiler Chamber Door Need Gasket.

Sponsor in the process of consulting with its construction professionals, including the Architect, regarding the above violations to determine the necessity and urgency to remediate such violations. Based on the opinion of its construction professionals, Sponsor will determine whether to undertake any work to remedy such violations at its cost and expense. Sponsor makes no affirmative representation or guarantee that it will undertake any such work. Purchasers are advised to consult with their attorney, lender and/or title company regarding the pending violations to determine the impact, if any, on Purchasers' ability to close title to their respective Unit.

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W. UNIT INFORMATION

There are 17 Units in the building, comprising 3 Retail Units, 13 Office Units and 1 Storage Unit. The Retail Unit and Office Units shall be referred to collectively as "Commercial Units." The vacancy status of each unit is indicated on Schedule A.

Sponsor is selling Units to Purchasers "as is" and in their current condition, subject only to Sponsor's obligation to maintain the Building until the First Closing. Accordingly, prospective purchasers should inspect units to ascertain the "as is" type, condition, materials, etc. of the units, including, without limitations, the floors, walls, ceilings, carpets, bathroom fixtures, kitchen equipment and finishes, as applicable.

1) Type and grade of finish material used in each type of unit and the number of covering given. Include paint, wall and floor coverings, as well as specifying the type of flooring walls and ceiling used:	Not Applicable. See description above.
2) Describe presence, type and condition of all bathroom fixtures:	Bathrooms are not provided, toilet spaces are provided as per item number 4. There are no showers. Fixtures were in acceptable condition, vary in age, and existing to remain as is.
3) Describe presence, type and condition of kitchen and laundry equipment:	Kitchen cooking equipment is provided at first floor Commercial Units. Legality and condition are unknown.
4) Number of toilets:	Each commercial unit is provided with at least one toilet space which includes a toilet and sink.

X. FINISH SCHEDULE OF SPACES OTHER THAN UNITS

Floor Level	Room	Finishes	Walls	Ceiling	Condition
Cellar	Mechanical and Storage Spaces	Existing Painted Concrete	Painted Masonry, plaster or, Gypsum Board	Painted Concrete, plaster or, Gypsum Board	Acceptable
1st Floor	Lobby and Hallways.	Existing Tile	Painted Masonry, plaster or,	Painted Concrete, plaster or,	Acceptable

	Existing as is.		Gypsum Board	Gypsum Board	
Mezzanine–16th Floor	Stair Lobby	Existing Painted Concrete or wood flooring	Painted Masonry, plaster or, Gypsum Board	Painted Concrete, plaster or, Gypsum Board	Acceptable

Y. SAFETY AND WARNING DEVICES

Smoke/ carbon monoxide (CO) detectors are provided in miscellaneous locations. All sensors should be inspected to ensure proper working order. Battery smoke/CO detectors were generally observed. There are some smoke/CO line voltage powered in common areas. There is an existing fire alarm central station made by Honeywell located on the first floor. Warranty information is unknown.

Z. ADDITIONAL INFORMATION REQUIRED

1)	Site Plan:	See Part II of the Offering Plan
2)	Floor Plans:	See Part II of the Offering Plan
3)	Master Floor Plans:	See Part II of the Offering Plan
4)	Floor to Ceiling Height of Units; on First Floor:	10'-0" to 18-0" Approx.
5)	Floor to Ceiling Height of Units; from Mezz to 16th Floor(s):	9'-0" to 10'-0" Approx.

Units:

Unit	**Approximate Total Unit Area (SF)**
Retail Unit 1	7,575 SF
Retail Unit 2	2,477 SF
Retail Unit 3	2,399 SF
Storage Unit	1,532 SF
Office Unit 3	6,111 SF
Office Unit 4	6,099 SF
Office Unit 5	6,102 SF
Office Unit 6	4,026 SF
Office Unit 7	4,026 SF
Office Unit 8	3,801 SF
Office Unit 9	3,801 SF
Office Unit 10	3,613 SF
Office Unit 11	3,613 SF

Office Unit 12	3,424 SF	
Office Unit 14	3,305 SF	
Office Unit 15	2,997SF	
Office Unit 16	2,898SF	

Approximate total gross areas of each Unit:

Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are **not** deducted from the measurement of each Unit) to the centerline of the demising partitions separating one Unit from another Unit; stairwell, corridors and elevator shaft walls, or to the centerline of mechanical shafts, or to the unit side face of the concrete shear walls of the elevators or stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling; provided that where a Unit consists of two or more contiguous floors, the Unit is measured from the top of the concrete floor of the lowest floor to the underside of the concrete ceiling of the highest floor.

AA. FURTHER DEVELOPMENT

This office has not been advised that any further development is anticipated or planned.

BB. ASBESTOS, LEAD-BASED PAINT

The Building was built prior to 1975 and as a result, the Building may present exposure to asbestos. Sponsor is not in possession of any report regarding asbestos and does not intend to perform any asbestos testing, to generate a report regarding same or to perform any asbestos abatement in the building.
The Building was built prior to 1978 and as a result, the Building may present exposure to lead from lead-based paint.

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CC. SPECIAL RISKS

Unless expressly indicated in the Special Risks below that Sponsor will cover the cost, Sponsor makes no affirmative representation or guarantee that it will undertake or cover the cost of any such work. If Sponsor does not undertake or cover the cost of any of the work noted below and if the Reserve Fund and/or Working Capital Fund do not contain sufficient funds to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments upon Unit Owners.

1) Building built in 1925

Purchasers are advised that the building is almost 100 years old. As such, Purchasers should read this entire description of property closely and note the condition of the building's components and systems, many of which are old and/or aging. Sponsor is only responsible for undertaking such repairs, replacements and maintenance as expressly stated below or in the offering plan as being Sponsor's responsibility.

2) Energy Costs

Purchasers are advised that, in view of the current energy situation and the fact that energy costs can fluctuate greatly, utility costs may increase dramatically during certain periods impacting their expenses operating the commercial unit(s) in the Building.

3) "As-is"

Sponsor is selling Units to Purchasers "as is" and in their current condition, subject only to Sponsor's obligation to maintain the Building until the First Closing. Accordingly, prospective purchasers should inspect units to ascertain the "as is" type, condition, materials, etc. of the units, including, without limitation, the floors, walls, ceilings, carpets, bathroom fixtures, kitchen equipment and finishes, as applicable.

4) Certification of Occupancy

The current TCO for the Cellar, 1st and Mezzanine floors, CO Number 122284553T001 has expired on 1/13/2020 and is no longer in effect. A renewal of the TCO is required prior to occupancy at the Cellar, 1st and Mezzanine Floor levels. In the event Sponsor offers the retail units for sale, Sponsor will procure a renewed TCO prior to the closing of any such retail units and cover all costs associated with resolving this item.

Sponsor represents that the Units that are being sold under the offering plan will be sold in conformity with the permanent certificate of occupancy, which states the Building is mixed use - factory and offices. In the event Sponsor decides to sell certain Units outside of this specified use, Sponsor will procure an amended certificate of occupancy for affected Units prior to closing and cover all costs associated with resolving this item.

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5) Asbestos

Visual inspections revealed no evidence of asbestos containing materials (ACM) such as insulation, VAT, fireproof materials, etc. However, further testing of specific materials is recommended to confirm or deny the presence of ACM. Asbestos containing materials are believed to be present at the roof in tars, felts and papers used in the roof coatings, as well as subflooring and pipe insulation. In the event of any renovation/ demolition/ modification/ alteration of any area in the Building with friable or non-friable ACM, a more thorough inspection must be conducted prior to any commencement of work.

6) Facades- General

The next 9B New York City FISP inspection report is due between 2/21/2021 and 2/21/2023. This inspection must be performed by a licensed professional and related report filed with the NYC Department of Buildings. Periodic inspection by a qualified exterior wall inspector is recommended for the Building's Exterior as is routine exterior maintenance including addressing areas of cracked or spalled masonry and mortar and maintenance of ferrous metals.

All ferrous metal exposed to the elements shall require regular maintenance, including scraping, priming, and painting roughly every 5-years or as the condition dictates. Such as lintels/guards/railings/fences, etc.

Sponsor will complete and file this FISP inspection report and will cover all costs associated with resolving this item.

Based on HLZA's limited observations of facades, typical masonry deterioration was observed including, cracked and spalling masonry, open mortar joints and weather deteriorated masonry units. A facade restoration program is anticipated to address these deficiencies that will likely be cited in the next Cycle 9B FISP report.

Facade Restoration Project…….……... $ 250,000

7) Installation of Safety Railings at Roof

Some sections of parapet walls enclosing the main roof level were observed to be less than the 36-inch or 42-inch minimum height necessary to comply with the applicable version of the NYC Building Code. Newly installed railings of minimally with a 42-inch height edge protection requirement identified in the 1938 and 1968 NYC Building Codes are required in areas**.** To remedy conditions installation of new free-standing railings 42 inches in height is advised at all parapet wall segments which are less than 36 inches in height.

Safety Railings
Estimated 60 linear feet @ $200/ ft…….…….. $ 12,000

8) Roof Warranty

There is no bond or guarantee on the roof system known to be issued. The installer of the roof and age of the roof is unknown.

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9) Cellar and First Floor Windows

A number of cellar and 1st floor windows at the rear façade are in deteriorated condition and will require either replacement or infill of masonry openings with brick.

10) Firestopping Repairs:

Firestopping sealant is lacking at a number of the wiring and piping penetrations through fire-rated construction. All such penetrations must be sealed with appropriate non-combustible materials consistent with the wall material. All wiring, piping and other penetrations of fire-rated walls must be appropriately sealed with intumescent fire sealant and/or mineral wool backing.

Estimated Cost…….. $ 10,000

11) Protective Guards:

At some areas of the bulkhead roofs, protective guards are not completely furnished in compliance with New York City Building code requirements. The NYC Building Code mandates that all roof edges having a drop-off of greater than 22 feet must be provided with minimum height edge protection of 3 feet 6 inches above the roof surface. To remedy conditions installation of new freestanding railings 42 inches in height are advised to be installed at all such roof edges.

Estimated Cost…….. $ 5,000

12) Fire Stairway Doors:

There are a number of doors within the west fire egress stairway have combustible trim work and/or wood wall infill along their perimeters. Doors and frames must be removed and replaced with new assemblies set into new openings with non-combustible materials.

Estimated Cost…….. $ 25,000

13) Lot Line Windows

There are lot line windows located along the east facade which serve common areas and unit spaces. None of these windows furnish code required natural light and air. The new construction at the adjoining property to the west is in the process of obstructing some or all of these windows and thus triggering requirements to seal such windows with permanent fire-rated solid wall construction in accordance with New York City Technical Policy and Procedure Notice 10/87. All purchasers should be aware of the potential obstruction of these windows as well as the potential to incur costs associated with the sealing of windows with appropriate fire-rated materials.

Estimated Cost …….. $ 150,000

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14) Installation of Fire Hose and Cabinet

HLZAE did not observe any fire hose or fire hose cabinets within the Building. A fire hose and cabinet is recommended to be installed within the Building lobby or other approved ground floor location.

Estimated Cost……..... $ 20,000

15) Electric Risers within Fire Stairway

There are multiple electrical risers located in egress Stair A and B that are not part of the fire alarm system. The NYC Building Code limits the systems and materials that may be installed in the egress pathway. The electrical risers should be relocated to a code compliant location or separated by fire-rated construction from the stairway egress path of travel.

Estimated Cost……..... $ 300,000

16) Outdated Electrical Service Equipment

All electrical service equipment is nearing the end of its useful life expectancy. Corrosion is noticeable on conductors and enclosures and all service equipment appears to have been installed over 35 years ago. Additionally, the fused distribution board with exposed copper buses are nearing obsoletion and should be replaced. There is a fuse distribution board located within main electrical room serving commercial tenants on the upper floor and PLP loads that contains no lock or protection from potential tampering. Furthermore, all the service switches are nearing obsoletion and should be replaced. It is anticipated that this will require ongoing repair and maintenance to the electrical service equipment.

Estimated Cost……..... $500,000 to $1,000,000
[estimated to occur over the next five (5) years]

17) Remove Abandoned Electric Panels and Conduits

There are various non-functioning electrical panel enclosures and conduits located in the cellar level of the Building that are not in use and should be removed.

Estimated Cost……..... $ 30,000

18) Toilet Spaces Mechanical Exhaust

Some of the toilet spaces in the Building have exhaust grills that appear to be connected to an exhaust shaft. The exhaust fan on the roof serving the exhaust shaft demonstrates extensive rust and the operable condition of the fan is unknown. There are also some bathrooms that do not contain exhaust grills. All toilet spaces should have mechanical exhaust following the requirements of NYC Building Code. Minimally a replacement of the roof level exhaust fan is anticipated along with the creation of new vents in various toilet spaces.

Estimated Cost……..... $ 60,000

19) Boiler Upgrade

The existing A.L. Eastmond & Sons boiler was built in 1984 and existing Industrial Combustion Burner (Circa 1984) are past their useful lives according to ASHRAE standards. Accordingly, it is anticipated that the boiler will require ongoing repair and maintenance, and eventually, replacement. As such, the existing boiler and burner should be removed and a new boiler and burner of similar capacities should be installed.

Additionally, the fan located in the boiler room should be repaired or replaced and ensured it is capable of providing at least 36 cfm of air per gallon of oil per hour required to fire the burner in the Boiler Room.

Estimated Cost……..... $250,000 to $ 500,000
[estimated to occur over the next five (5) years]

20) Junction Boxes

There are open junction boxes that do not have a rated covering as required by section 314.23 in the NYC Electrical Code. A rated cover should be installed on the open junction boxes.

Estimated Cost……..……..... $ 5,000

21) Incomplete Sprinkler Work

There is incomplete sprinkler work at the Building. At the time of the visit, some sprinkler work was being performed. Additionally, there were no sprinklers installed at the lot line windows. Sprinklers are required at lot line windows as per NFPA. Violations exists on DOB records which cites some this incomplete work. The violations include failure to complete the installation of a fully system of automatic sprinklers and file a final sprinkler report prepared by a registered design professional.

Estimated Cost……..... $ 75,000

22) Mechanical Equipment Intruding onto Neighboring Property

There are multiple exhaust flues, ductwork and mechanical equipment extending upon and intruding past the property line into the neighboring property to the south of this Building (29 West 38th Street) situated upon and over their roof that is part of the exhaust flue and grease filtration system serving the commercial units at the subject property (32 West 39th Street). All appurtenances, flues, ductwork and equipment must be removed from the adjacent property and relocated to areas situated within the under subject property extents and comply with all code required clearances from property lines. Alternatively, an easement might be possible to procure from the adjacent property owner at a cost and at their sole discretion for the use of their roof, considering that DOB would allow such and no other code compliance corrective work is required.

Estimated Cost……..... $ 300,000

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23) House Pumps

The two existing house pumps in the cellar that feed the roof tanks appear to be nearing the end or past their useful lives according to ASHRAE standards. The existing Baldor house pump Catalog NO. M3312T was built in 1987 according to the manufacturer and the exact age of the existing Grundfos pump model 37E354X48 reported could not be determined. The Baldor pump is past its useful life according to ASHRAE standards and the Grundfos pump appears to be nearing the end of past its useful life. Accordingly, it is anticipated that both pumps will require ongoing repair, maintenance, and replacement in the short term. As such, the existing pumps should be removed and new pumps of similar capacities should be installed.

Estimated Cost……..... $ 45,000-65,000

24) Backflow Prevention Device

The Building's domestic water service as installed is not provided with the required backflow prevention device as stipulated by the NYC DEP Cross Connection Control Unit. A licensed NYS architect/engineer should file the necessary plans with the DEP and then an approved backflow preventer be installed on the domestic water main.

Estimated Cost……..... $ 30,000

25) Exterior Wall Insulation

The material, type, size and insulating (R) value for each type of exterior wall is unknown. Further investigation will not be performed to determine insulation. The compliance of the existing conditions with applicable sections of the NYC Energy Conservation Code is unknown.

26) Non-functional Windows

Windows at the Cellar and 1st floor levels along the rear façade are broken and non-functional. A replacement of these windows will be required.

Estimated Cost……..... $ 20,000

27) Sump Pit and Pump

The existing sump pump appears to be past its useful life expectancy according to ASHRAE. Accordingly, it is anticipated that the sump pump will require ongoing repair and maintenance, and eventually, replacement. As such, the existing sump pump should be removed and a new sump pump of similar capacities should be installed. Additionally, the sump pit is not properly covered. A proper sealing of the pit should be performed during the replacement of the pump.

Estimated Cost……..... $ 55,000

28) Windowless Areas Ventilation

There are human occupiable windowless areas that do not have mechanical ventilation. The NYC Building Code requires these occupiable spaces to have adequate ventilation. Ventilation should be installed in these windowless areas following the requirements of the NYC Building Code.

Estimated Cost……..... $ 250,000

I. NOTE:

The term “fair” used in the Report refers to the moderately good, satisfactory, and above average conditions with minor deteriorations that are mostly aesthetic and do not require repair.

The term “acceptable” used in the Report refers to the conditions that meet the minimum requirement of the performance and are judged to be in conformity with approved usage. The item may contain moderate deteriorations that require proper and continuous maintenance or minimal repair.

The term “poor” used in the Report refers to the under-satisfactory and inadequate conditions with deteriorations that require repair or replacement.



Howard L. Zimmerman Architects, P.C.

By: Howard L. Zimmerman

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TECHNICAL FAÇADE REPORT


PERMITS
PAYMENTS
APPOINTMENTS
DOB
NOW
NYC
Buildings

Accepted

Technical Report(TR6)

Compliance Filing # TR6-802237-8B-A1

2. Location

House Number	32	Street Name	WEST 39 STREET
Borough	Manhattan	Block	840
BIN	1016010	Lot	66
Zip Code	10018	C.B No.	105
Control Number	802237		

3. Filing Information

Filing Type	Amended	Report Cycle	8
Report Sub Cycle	8B	Last Cycle Filing Date	06/30/2015
Filing Date	07/30/2018	Accepted Date	08/27/2018

4. Inspection Report Status Information

Current Cycle: Last QEWI Inspection Date	07/20/2018	Current Cycle Filing Status	SWARMP
SWARMP Recommended Date	2021-07-20	Prior Filing Cycle	8
Prior Filing Sub Cycle	8B	Prior Filing Status	UNSAFE

5. Building Description

Landmark Building		Landmark District	No
Number of stories	14	Number of Balconies	0
Wall(s) Subject to Inspection	All	Partial Description	

Exterior wall type	BRICK MASONRY
	TERRA COTTA

6. Applicant Information

E-Mail	SEGGRP@GMAIL.COM	License Type	Professional Engineer
NYS License Number	060930	Last Name	SALAMON
First Name	DAVID	MI	
Mobile Phone		Business Name	SALAMON ENGINEERING PLLC
Business Address	330 WEST 38 STREET	City	NEW YORK
State	NY	Zip Code	10018
Business Telephone	2124651616	Business Fax	

Accepted

6a. Applicant's Statement

I hereby state that the Owner/ Owner's Representative has authorized me to submit this report. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand, and I further agree that, by uploading an electronic image of my signature and professional seal as part of this submission, I am applying such signature and seal to this signed statement as if I had personally signed and sealed this statement by hand.

Name DAVID SALAMON Date : 2018-07-22

7. Owner Information

E-Mail	sam@rosebergrealty.com	Owner Type	Private
Last Name	FRUCHTER	First Name	SAM
MI		Mobile Phone	5165093986
Telephone	2129816517	Business Name	PR
Business Address	28 W 36TH STREET	City	NEW YORK
State	NY	Zip Code	10018
Business Phone	2129816517	Business Fax	

8. Owner Representative

E-Mail	SAM@ROSEBERGREALTY.COM	Relationship to Owner	
First Name	SAM	Last Name	FRUCHTER
Phone	2129816517		

Accepted

9. Owner's Statement

(A)I hereby state that I am the owner/owner's representative of the premises referenced in the report associated with this filing. Furthermore, I have received and read a copy of the request associated with this filing and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for same.

(B) I certify that all items noted as SWARMP conditions in the previous cycle's report have been corrected/repaired unless I have indicated above that the current inspection report status is UNSAFE as per administrative code article 302, if applicable.

§28-211.1 False statements in certificates, forms, written statements, applications, reports, or certificates of correction. It shall be unlawful for any person to knowingly or negligently make or allow to be made a material false statement in any certificate, professional certification, form, signed statement, application, report or certification of the correction of a violation that is either submitted directly to the department or that is generated with the intent that the department rely on its assertions.

☑ I have personally reviewed all information in this submission. I understand and agree that by personally clicking on the box at left I am electronically signing this submission and expressing my agreement with the Statement terms herein. I understand that this electronic signature shall have the same validity and effect as a signature affixed by hand.

Name SAM FRUCHTER Date : 07/28/2018

QEWI Information

QEWI First Name	DAVID	QEWI Last Name	SALAMON
QEWI Address	330 WEST 38 STREET	Block	840
Lot	66	Cycle	8
BIN	1016010		

1. Executive Summary

General Description

Stories – Height: 14– Approximately 162' 1"PlanDimensions: 50' X 98.75'CertificateofOccupancyNumber: 24500Usage: Commercial /Office BuildingsAge: 93Years oldExterior wall Exterior walls consists of BrickMasonry, Terra Cotta

Scope of Inspection

Visual observation of building exterior - all facades, bulkheads and the roof.1. Critical examination of all facades included the use of high magnification binoculars and digital camera equipped with telephoto lens.2. East Façade Inspection – A hands-on inspection was made via drop scaffolding – see plot plan for location ofdrop scaffolding.3. West Facade Inspection – A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.4. South Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.5. North Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.

Summary of Findings

Field Examination – Dated: July 20, 2018Following conditions were noted:Photo # 1 -East Facade– Facade4-Floors 5 to RoofLevel – East Elevation – Open mortar joints in chimney. Adjacent property's BuildingDeveloper will be removing the chimney within 1 year and constructing a new taller building abutting the East Facade(See Supporting Document). - SWARMP ConditionPhoto # 2East Facade– Facade4-Floors 3 to RoofLevel – East Elevation – Minor open mortar joints around the windows and thebrickwork. Adjacent property's Building Developer will be closing-off the window at the East Facadeof our building and waterproofing any open joints inthe brickwork in the process. The closing-off & waterproofing work will be completed within 1 year to construct a new taller building abutting ourbuilding's East Facade (See Supporting Document). - SWARMP ConditionPhoto # 3North Facade– Facade1-Floors 13-14 – EastCorner – Crack in brickwork called out in previously filed Cycle 7B & 8Breports havebeen replaced. In addition, open mortar joints in coping stoneshave been re-pointed. - SAFE ConditionPhoto # 4-North Facade– Facade1- Floors 9 - 10 –East Corner – Cracked stonework removed and replaced. Additionally, crackedbrickwork replaced.- SAFE Condition.Photo # 5-North Facade– Facade1-Floors 9 - 10 –East Corner – 14" long, 3/8" diameter Pins installed at new terracottastones.- SAFE Condition.Photo # 6North Facade– Facade1-Floors 9 - 10 –East Corner – Pinning holes sealed flush to stone surface.- SAFE Condition.Photo # 7-North Facade– Facade1-Floors 9 - 10 –East Corner – New bricks installed above new stonework.- SAFE Condition.Photo # 8-North Facade– Facade1-Floor 3 – EastCorner – Cracked stonework removed and replaced with new stonework replaced;pinned to back-up wall and pinning holes filledwith sealant flush to stonesurface.- SAFE Condition.Photo # 9-North Facade– Facade1-Floors 2-3 –Lower Floors – Windows show paint failure and corrosion of the metal frame andsashes called out in the previously filed Local law 11 report have been repainted.- SAFE Condition.Photo # 10-North Facade– Facade1-Floor 11 – Corrosionon underside of steel lintel called out in previously filed Cycle 7B & 8BLocal Law 11 report has been repainted. - SAFE Condition.Photo # 11North Facade – Facade1-Floor 3 – Cracking glazed Terracotta called out in previously filed Local Law 11 Report havebeen repaired.- SAFE Condition.Photo # 12-North Facade– Facade1-Upper Floors – Lintelswere scraped, primed and repainted.- SAFE Condition.Photo # 13-West Facade– Facade2-Floors 12-13 – Openmortar joints re-pointed and damaged brickwork replaced. - SAFE Condition.Photo # 14-East Facade– Facade4-Floor 14 – Openmortar joints re-pointed.- SAFE Condition.Photo # 15-West Facade– Facade2-Floor 14 to RoofLevel – Open mortar joints re-pointed.- SAFE Condition.Photo # 16-East Facade– Facade4-Floor Roof Level– Open mortar joints re-pointed along interior parapet wall.- SAFE Condition.Photo # 17-North Bulkhead– Roof Level-Floor Roof Level– Open mortar joints re-pointed along damaged brickwork replaced.- SAFE Condition.Photo # 18North Facade– Facade1-Floor 3 – Damagedbricks replaced and open joints re-pointed.- SAFE Condition.All Facades conform to DOB requirementsThere are no Hazardous conditions on the facades of this building.2. Statement of apparent water tightness,No water leakages were reported.3. Classification of Building ConditionThis building's facades are classified as SWARMP.4. Conditions that require monitoring, and routine maintenance.The facades need to be monitored on a regular basis to assess theirintegrity and water tightness. 1- The joints of all coping stones should be caulked as needed. 2- The caulking around all windows should be monitored andreplaced as needed. 3- All vertical joints should be monitored to verify that there are nomovements. 4- All decorative stonework should be inspected to verify theirintegrity

Conclusions and Recommendations

Field Examination – Dated: July 20, 2018All previous Hazardous conditions have been repaired. SWARMP Conditions called out in previous Cycle 6 report have been repaired.New SWARMP Conditions to be repaired by SWARMP recommended date.Building is in SWAMRP condition.Recommendations:Recommendations for repairs with time frame for completion of repairs.1. Replace Brick Work.2. Replace/ Repair/Pinning Stone Work.3. Re-point open Mortar Joint.4. Replace/Repair Lintel.Per TPPNItem #1, 2, and 4 will require a work permit.Time Frame- Above should be done immediately.2) Statement of apparent water tightness,No leakages were reported at time of inspection.3) Classification of building ConditionThis building's facades are classified as SWARMP.4) Exterior appurtenances.N/A5) condition that require monitoring, and routine maintenance.The facades needed to be monitored on a regular basis to assess their integrity and water tightness.The caulking around all window should be monitored and replaced as needed.

A. Building Information

Address	32 WEST 39 STREET	AKA Address	
Block	840	Lot	66

BIN	1016010	Landmark Building	
Landmark District	No	Cross Streets	

B. Owner Information

Owner Type	Private	Owner	SAM FRUCHTER

C. Building Description

Height	162' 1"	Stories	14
Lot & Building Dimensions	50' X 98.75'	Cert of Occupancy	24500
Building Use	Commercial/Office Building	Approx. Year Built	1925

Exterior wall type	BRICK MASONRY
	TERRA COTTA

D. A detailed description of any settlements, repairs, or revisions to exterior enclosures since the previous report

COMPARISON WITH PREVIOUSLY REPORT OBSERVATIONS:Cycle # 7B & 8B Dated July 30, 2015Cycle 7B & 8BFIELD EXAMINATION - May 21, 2015The following SWARMP conditions called out in Cycle 6 have been downgraded to HAZARDOUSNorth ElevationFloor 13 East Corner - Crack in brick.Lower Floors - Windows show paint failure and corrosion of the metal frame and sashes.Floor 11 - Corrosion on underside of steel lintelFloor 3 - Crack in glazed terracotta.2. Statement of apparent water tightness, No water leakages were reported.3. Classification of Building ConditionThis building’s facades are classified as SWARMP.4. Conditions that require monitoring, and routine maintenance.The facades need to be monitored on a regular basis to assess theirintegrity and water tightness.1- The caulking around all windows should be monitored andreplaced as needed.2- All vertical joints should be monitored to verify that there are nomovements.

E. Procedures Used in Making the Critical Examination

Visual observation of building exterior - all facades, bulkheads and the roof.1. Critical examination of all facades included the use of high magnification binoculars and digital camera equipped with telephoto lens.2. East Façade Inspection – A hands-on inspection was made via drop scaffolding – see plot plan for location ofdrop scaffolding.3. West Facade Inspection – A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.4. South Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.5. North Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.

F. Rigger Information

QEWI First Name	DAVID	QEWI Last Name	SALAMON
Number of person(s) who conducted inspection and his/her relation to QEWI 5			
Person 1	Steven Luu	Relationship to QEWI	Employee
Person 2	Zachary Balgobin	Relationship to QEWI	Employee
Person 3	David Salamon, P.E.	Relationship to QEWI	Myself
Person 4	Daniel Pena	Relationship to QEWI	Employee
Person 5	Marc Epstein	Relationship to QEWI	Employee

Rigger/Operator Info

First Name	Navi	Middle Initial	
Last Name	Singh	Business Name	Cityline Restoration Inc.
Business Address	9821 101 Avenue	City	Ozone Park
State	NY	Zip Code	11416
Business Telephone	6463393186	Business Fax	
Mobile Phone		Email	snavindeep@yahoo.com
Rigger License#	6458		

Location(s) of close-up inspection & Plot Details

Visual observation of building exterior - all facades, bulkheads and the roof.1. Critical examination of all facades included the use of high magnification binoculars and digital camera equipped with telephoto lens.2. East Façade Inspection – A hands-on inspection was made via drop scaffolding – see plot plan for location ofdrop scaffolding.3. West Facade Inspection – A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.4. South Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.5. North Facade Inspection - A hands-on inspection was made via drop scaffolding - see plot plan for location of drop scaffolding.

Dates of inspection(s)	Comments
2017-07-20	
2018-05-03	
2018-05-16	
2018-05-22	
2018-06-11	
2018-07-20	

G. Description, location(s) and Classification of Conditions Observed

Field Examination – Dated: July 20, 2018Following conditions were noted:Photo # 1 -EastFacade–Facade4-Floors 5 to RoofLevel – East Elevation – Open mortar joints in chimney. Adjacent property's BuildingDeveloper will be removing the chimney within 1 year and constructing a new taller building abutting the East Facade(See Supporting Document). - SWARMP ConditionPhoto # 2EastFacade–Facade4-Floors 3 to RoofLevel – East Elevation – Minor open mortar joints around the windows and thebrickwork. Adjacent property's Building Developer will be closing-off the window at the East Facadeof our building and waterproofing any open joints inthe brickwork in the process. The closing-off & waterproofing work will be completed within 1 year to construct a new taller building abutting ourbuilding's East Facade (See Supporting Document). - SWARMP ConditionPhoto # 3NorthFacade–Facade1-Floors 13-14 – EastCorner – Crack in brickwork called out in previously filed Cycle 7B & 8Breports havebeen replaced. In addition, open mortar joints in coping stoneshave beenre-pointed. - SAFE ConditionPhoto # 4-NorthFacade–Facade1-Floors 9 - 10 –East Corner – Cracked stonework removed and replaced. Additionally, crackedbrickwork replaced.- SAFE Condition.Photo # 5-NorthFacade–Facade1-Floors 9 - 10 –East Corner – 14" long, 3/8" diameter Pins installed at new terracottastones.- SAFE Condition.Photo # 6NorthFacade–Facade1-Floors 9 - 10 –East Corner – Pinning holes sealed flush to stone surface.- SAFE Condition.Photo # 7-NorthFacade–Facade1-Floors 9 - 10 –East Corner – New bricks installed above new stonework.- SAFE Condition.Photo # 8-NorthFacade–Facade1-Floor 3 – EastCorner – Cracked stonework removed and replaced with new stonework replaced;pinned to back-up wall and pinning holes filledwith sealant flush to stonesurface.- SAFE Condition.Photo # 9-NorthFacade–Facade1-Floors 2-3 –Lower Floors – Windows show paint failure and corrosion of the metal frame andsashes called out in the previously filed Local law 11 report have been repainted.- SAFE Condition.Photo # 10-NorthFacade–Facade1-Floor 11 – Corrosionon underside of steel lintel called out in previously filed Cycle 7B & 8BLocal Law 11 report has been repainted.- SAFE Condition.Photo # 11North Facade –Facade1-Floor 3 – Cracking glazedTerracotta called out in previously filed Local Law 11 Report havebeen repaired.- SAFE Condition.Photo # 12-NorthFacade–Facade1-Upper Floors – Lintelswere scraped, primed and repainted.- SAFE Condition.Photo # 13-WestFacade–Facade2-Floors 12-13 – Openmortar joints re-pointed and damaged brickwork replaced.- SAFE Condition.Photo # 14-EastFacade–Facade4-Floor 14 – Openmortar joints re-pointed.- SAFE Condition.Photo # 15-WestFacade–Facade2-Floor 14 to RoofLevel – Open mortar joints re-pointed.- SAFE Condition.Photo # 16-EastFacade–Facade4-Floor Roof Level– Open mortar joints re-pointed along interior parapet wall.- SAFE Condition.Photo # 17-North Bulkhead– Roof Level-Floor Roof Level– Open mortar joints re-pointed along damaged brickwork replaced.- SAFE Condition.Photo # 18NorthFacade–Facade1-Floor 3 – Damagedbricks replaced and open joints re-pointed.- SAFE Condition.All Facades conform to DOB requirementsThere are no Hazardous conditions on the facades of this building.2. Statement of apparent water tightness,No water leakages were reported.3. Classification of Building ConditionThis building's facades are classified as SWARMP.4. Conditions that require monitoring, and routine maintenance.The facades need to be monitored on a regular basis to assess theirintegrity and water tightness. 1- The joints of all coping stones should be caulked as needed. 2- The caulking around all windows should be monitored andreplaced as needed. 3- All vertical joints should be monitored to verify that there are nomovements. 4- All decorative stonework should be inspected to verify theirintegrity

Ga. Appurtenances

There are no thru window or thru wall AC units located on the facades of this building areproperly supported.Exterior lights, security cameras, letters/signs, flag poles and awnings are structurally sound.

Gb. Balcony, guardrail, handrail and parapet statement

An inspection was made to verify the integrity of the fire escapes, balconies and parapet railings.Fire EscapesThere are no fire escapes located on the facades of this building.BalconiesThere are no balconies located on the facades of the subject building.Parapet HandrailsThere are no parapet handrails located on the facades of this building.ParapetsThe parapet maintains a minimum height of 42 inches. Parapets comply with DOB code.

H. Causes of Conditions Observed

The buildings' facades are in a SWARMP condition.Report on Water tightness of property:There were no indications that there was any water penetration at this property based on our visual inspection.Cause of previous Hazardous/SWARMP conditions was due to water damage.

I. Status Report of Exterior Maintenance

There is no on-going maintenance program. All UNSAFEwork from previouscycle has been completed under DOB Application 122674882.Work Permit 122674882 was signed off on Feb 03, 2016

Ja. Comparison Chart of Conditions Reported for current and previous cycle

Prior Filing Cycle	8	Current Filing Cycle	8
Prior Filing Status	UNSAFE	Current Filing Status	SWARMP

Field Examination – Dated: July 20, 2018Following conditions were noted:Photo # 1 -EastFacade–Facade4-Floors 5 to RoofLevel – East Elevation – Open mortar joints in chimney. Adjacent property's BuildingDeveloper will be removing the chimney within 1 year and constructing a new taller building abutting the East Facade(See Supporting Document). - SWARMP ConditionPhoto # 2EastFacade–Facade4-Floors 3 to RoofLevel – East Elevation – Minor open mortar joints around the windows and thebrickwork. Adjacent property's Building Developer will be closing-off the window at the East Facadeof our building and waterproofing any open joints inthe brickwork in the process. The closing-off & waterproofing work will be completed within 1 year to construct a new taller building abutting ourbuilding's East Facade (See Supporting Document). - SWARMP ConditionPhoto # 3NorthFacade–Facade1-Floors 13-14 – EastCorner – Crack in brickwork called out in previously filed Cycle 7B & 8Breports havebeen replaced. In addition, open mortar joints in coping stoneshave beenre-pointed. - SAFE ConditionPhoto # 4-NorthFacade–Facade1-Floors 9 - 10 –East Corner – Cracked stonework removed and replaced. Additionally, crackedbrickwork replaced.- SAFE Condition.Photo # 5-NorthFacade–Facade1-Floors 9 - 10 –East Corner – 14" long, 3/8" diameter Pins installed at new terracottastones.- SAFE Condition.Photo # 6NorthFacade–Facade1-Floors 9 - 10 –East Corner – Pinning holes sealed flush to stone surface.- SAFE Condition.Photo # 7-NorthFacade–Facade1-Floors 9 - 10 –East Corner – New bricks installed above new stonework.- SAFE Condition.Photo # 8-NorthFacade–Facade1-Floor 3 – EastCorner – Cracked stonework removed and replaced with new stonework replaced;pinned to back-up wall and pinning holes filledwith sealant flush to stonesurface.- SAFE Condition.Photo # 9-NorthFacade–Facade1-Floors 2-3 –Lower Floors – Windows show paint failure and corrosion of the metal frame andsashes called out in the previously filed Local law 11 report have been repainted.- SAFE Condition.Photo # 10-NorthFacade–Facade1-Floor 11 – Corrosionon underside of steel lintel called out in previously filed Cycle 7B & 8BLocal Law 11 report has been repainted.- SAFE Condition.Photo # 11North Facade –Facade1-Floor 3 – Cracking glazedTerracotta called out in previously filed Local Law 11 Report havebeen repaired.- SAFE Condition.Photo # 12-NorthFacade–Facade1-Upper Floors – Lintelswere scraped, primed and repainted.- SAFE Condition.Photo # 13-WestFacade–Facade2-Floors 12-13 – Openmortar joints re-pointed and damaged brickwork replaced.- SAFE Condition.Photo # 14-EastFacade–Facade4-Floor 14 – Openmortar joints re-pointed.- SAFE Condition.Photo # 15-WestFacade–Facade2-Floor 14 to RoofLevel – Open mortar joints re-pointed.- SAFE Condition.Photo # 16-EastFacade–Facade4-Floor Roof Level– Open mortar joints re-pointed along interior parapet wall.- SAFE Condition.Photo # 17-North Bulkhead– Roof Level-Floor Roof Level– Open mortar joints re-pointed along damaged brickwork replaced.- SAFE Condition.Photo # 18NorthFacade–Facade1-Floor 3 – Damagedbricks replaced and open joints re-pointed.- SAFE Condition.All Facades conform to DOB requirementsThere are no Hazardous conditions on the facades of this building.2. Statement of apparent water tightness,No water leakages were reported.3. Classification of Building ConditionThis building's facades are classified as SWARMP.4. Conditions that require monitoring, and routine maintenance.The facades need to be monitored on a regular basis to assess theirintegrity and water tightness. 1- The joints of all coping stones should be caulked as needed. 2- The caulking around all windows should be monitored andreplaced as needed. 3- All vertical joints should be monitored to verify that there are nomovements. 4- All decorative stonework should be inspected to verify theirintegrity

Jb. Work permit numbers, status & sign off dates

Work Permit for the repairs was pulled under DOB application# 122674882.These repairs include brick pointing, stone repair, lintel replacement,and brick replacement.All Repairs have been completed and work permit #122674882 has been signed off on Feb 03, 2016

Jc. ECB Violation numbers and the status of the repairs of the conditions cited in the ECB violations

There is no on-going maintenance program. All UNSAFEwork from previouscycle has been completed under DOB Application 122674882.Work Permit 122674882 was signed off on Feb 03, 2016

K. Recommendations for Repairs or Maintenance

There is an ongoing maintenance program from the adjacent building for the repairs of SWARMP conditions.

SWARMP Recommended Date 2021-07-20

L. Required Work Permits

There is an ongoing maintenance program from the adjacent building for the repairs of SWARMP conditions.Work Permit for prior repairs was pulled under DOB application#122674882.These repairs included brick pointing, stone repair, lintel replacement,and brick replacement.All Repairs have been completed and work permit #122674882 has been signed off on Feb 03,2016

M. Current Report Classification

SWARMP

NYC Buildings

Design Professional / Licensee Seal and Signature Form for DOB NOW (DPL-1 Form)

1 Design Professional/Licensee Information

Last Name	Salamon	First Name David	Middle Initial
Business Name	Salamon Engineering PLLC		Business Telephone (212) 465-1616
Business Address	330 West 38 Street Suite 402		Business Fax (212) 643-2076
City	New York	State NY Zip 10018	Mobile Telephone
E-Mail	seggrp@gmail.com		License Number 060930

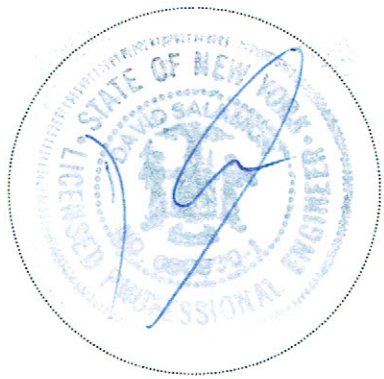
Choose one:

- ☒ Professional Engineer
- ☐ Registered Architect
- ☐ Registered Landscape Architect
- ☐ Master Plumber
- ☐ Oil Burner Installer
- ☐ Electrical Contractor
- ☐ Master Fire Suppression Contractor

2 Design Professional/Licensee Seal and Signature Statement

By personally sealing and signing this document and then submitting a scanned copy to the Department of Buildings, I intend for the image of this seal and signature to be used as my official professional seal and signature where I so indicate in electronic documents to be submitted to the Department of Buildings.

This form shall expire one year from the date signed and sealed below



David Salamon, P.E. — Name (printed)

07-27-2018 — Date

Affix seal and signature in accordance with all regulations applicable when applying signature and seal to official documents filed with the Department of Buildings. For raised seals, please lightly shade with pencil so that the seal clearly appears in the scanned copy

SALAMON ENGINEERING GROUP
330 West 38 St New York, NY 10018 Tel. 212.465.1616 Fax.212.643.2076 seggrp@gmail.com

June 14, 2018

R&B Realty Group, LLC
28 West 36th Street
3rd Floor
New York, NY 10018
212-981-6517

Subject:
32 West 39 Street
New York, NY 10018
Block: 840 Lot: 66
BIN: 1016010

Re: Confirmation of Alterations and Repairs to 32 West 39th Street (East Façade)

To Whom It May Concern,

This is a follow up to the phone conversation regarding the exterior alterations and waterproofing repairs for the East Façade of 32 West 39th Street.

Please confirm that the 26 West 39th Street, LLC, the developer for the 24-30 West 39th Street site, will be completing the alterations and repairs to our adjacent building, at 32 West 39th Street, including the following:

- Removal of the existing (inactive) brick chimney along the East Facade
- Closing-off of all windows to the southeast of the currently existing (inactive) brick chimney along the East Façade with a 2-hour rated, non masonry assembly
- Sealing of any open joints in the brickwork that may pose a waterproofing concern where work was perfomed

These alterations and repairs are contingent on the understanding that the work will conform with the requirements of DOB Code 27-860, including but not limited to:

- Written notification before starting any work
- Preparing Plans for DOB Approval & Expediting an Alteration Type-II Application
- SEG's proposal for preparation & filing of these plans will be issued shortly

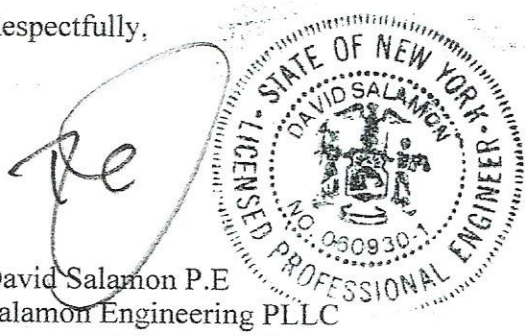
By confirming to this agreement, the developer 26 West 39th, LLC, agrees to notify the R&B Realty Group if any additional structural or waterproofing issues arise during the building development process for the 24-30 West 39th Street site, as relates to our adjacent building, at 32 West 39th Street.

All alterations and repairs performed along the East Facade of our 32 West 39th Street building should be documented, with photographic evidence (physical or digital copies) provided to the R&B Realty Group in a timely manner. SEG shall shall verify the alteration and repairs completed to 32 West 39th Street's East Façade and signoff the work with a Directive-14 Final Inspection.

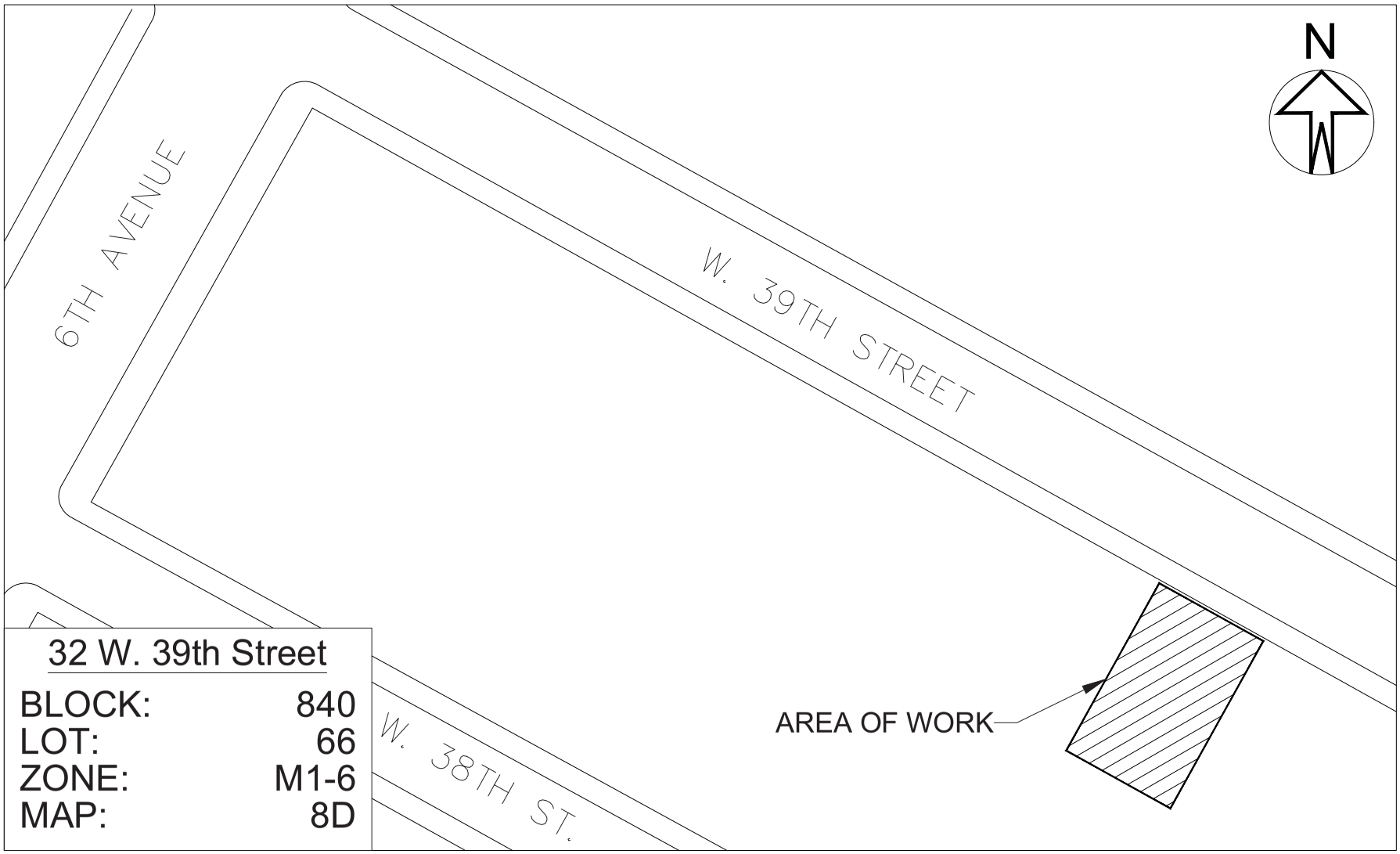
Feel free to contact our office with any questions.

Agreed To 7/5/18
Authorized Signatory
On behalf of
26 West 39th LLC

Respectfully,

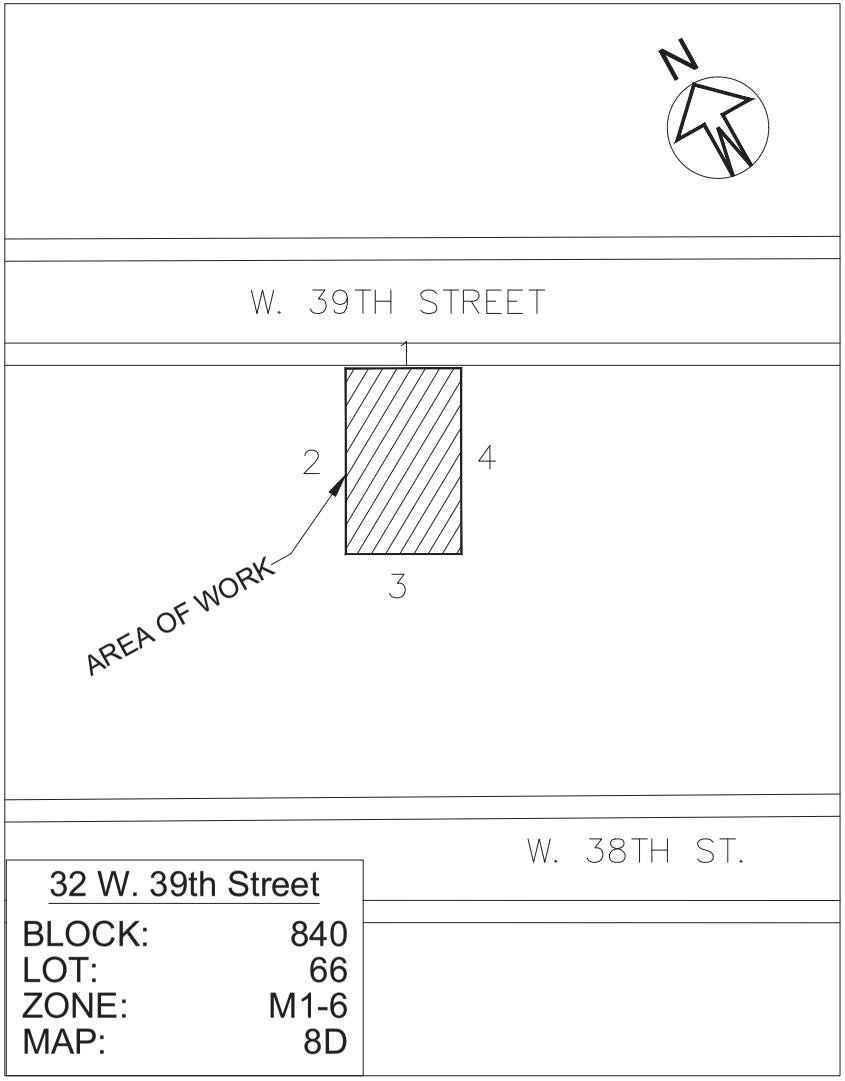


David Salamon P.E
Salamon Engineering PLLC



PLOT PLAN

N.T.S.



FACADE LISTING

N.T.S.

SALAMON ENGINEERING GROUP
330 West 38 St New York, NY 10018 Tel. 212.465.1616 Fax.212.643.2076 seggrp@gmail.com

32 West 39th Street New York, NY 10018

Elevation Photographs



North Elevation Along West 39 Street

Dated- 7-20-18



West Elevation

Dated-7-20-18



North East Elevation-5

Dated- 7-20-18



East Elevation

Dated 7-20-18



Front Entrance Along North Façade

Dated- 7-20-18



Exterior lights, security cameras, letters/signs along the North Façade.

Dated- 7-20-18



Exterior lights, security cameras, along the North Façade.

Dated- 7-20-18



32 West 39 Street – Dated May 20, 2018

SWARMP - Photo # 1
East Façade – Façade 4

- Floors 5 to Roof Level – East Elevation – Open mortar joints in chimney. Adjacent property's Building Developer will be removing the chimney within 1 year and constructing a new taller building abutting the East Façade (See Supporting Document)



32 West 39 Street – Dated May 20, 2018

SWARMP - Photo # 2
East Façade – Façade 4

- Floors 3 to Roof Level – East Elevation – Minor open mortar joints around the windows and the brickwork. Adjacent property's Building Developer will be closing-off the window at the East Façade of our building and waterproofing any open joints in the brickwork in the process. The closing-off & waterproofing work will be completed within 1 year to construct a new taller building abutting our building's East Facade (See Supporting Document)



32 West 39 Street – Dated July 20, 2017

Completed Repairs - Photo # 3
North Façade – Façade 1

- Floors 13-14 – East Corner – Crack in brickwork called out in previously filed Cycle 7B & 8B reports have been replaced. In addition, open mortar joints in coping stones have been repointed.



32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 4
North Façade – Façade 1

- Floors 9 - 10 – East Corner – Cracked stonework removed and replaced. Additionally, cracked brickwork replaced.



32 West 39 Street – Dated May 3, 2018

Stone Replacement in Progress - Photo # 5
North Façade – Façade 1

- Floors 9 - 10 – East Corner – 14” long, 3/8” diameter Pins installed at new terra cotta stones..



32 West 39 Street – Dated May 3, 2018

Stone Replacement in Progress - Photo # 6
North Façade – Façade 1

- Floors 9 - 10 – East Corner – Pinning holes sealed flush to stone surface.



32 West 39 Street – Dated May 3, 2018

Stone Replacement in Progress - Photo # 7
North Façade – Façade 1

- Floors 9 - 10 – East Corner – New bricks installed above new stonework.



32 West 39 Street – Dated May 3, 2018

Stone Replacement in Progress - Photo # 8
North Façade – Façade 1

- Floor 3 – East Corner – Cracked stonework removed and replaced with new stonework replaced; pinned to back-up wall and pinning holes filled with sealant flush to stone surface.



32 West 39 Street – Dated July 20, 2017

Completed Repairs - Photo # 9
North Façade – Façade 1

- Floors 2-3 – Lower Floors – Windows show paint failure and corrosion of the metal frame and sashes called out in the previously filed Local law 11 report have been repainted.



32 West 39 Street – Dated July 20, 2017

Completed Repairs - Photo # 10
North Façade – Façade 1

- Floor 11 – Corrosion on underside of steel lintel called out in previously filed Cycle 7B & 8B Local Law 11 report has been repainted.



32 West 39 Street – Dated July 20, 2017

Completed Repairs - Photo # 11
North Facade – Façade 1

- Floor 3 – Crack in glazed terra cotta called out in previously filed Local Law 11 Report have been repaired.



32 West 39 Street – Dated July 20, 2017

Completed Repairs - Photo # 12
North Façade – Façade 1

- Upper Floors – Lintels were scraped, primed and repainted.

SALAMON ENGINEERING GROUP
330 West 38 St New York, NY 10018 Tel. 212.465.1616 Fax.212.643.2076 seggrp@gmail.com



32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 13
West Façade – Façade 2

- Floors 12-13 – Open mortar joints re-pointed and damaged brickwork replaced.

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330 West 38 St New York, NY 10018 Tel. 212.465.1616 Fax.212.643.2076 seggrp@gmail.com



32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 14
East Façade – Façade 4

- Floor 14 – Open mortar joints repointed

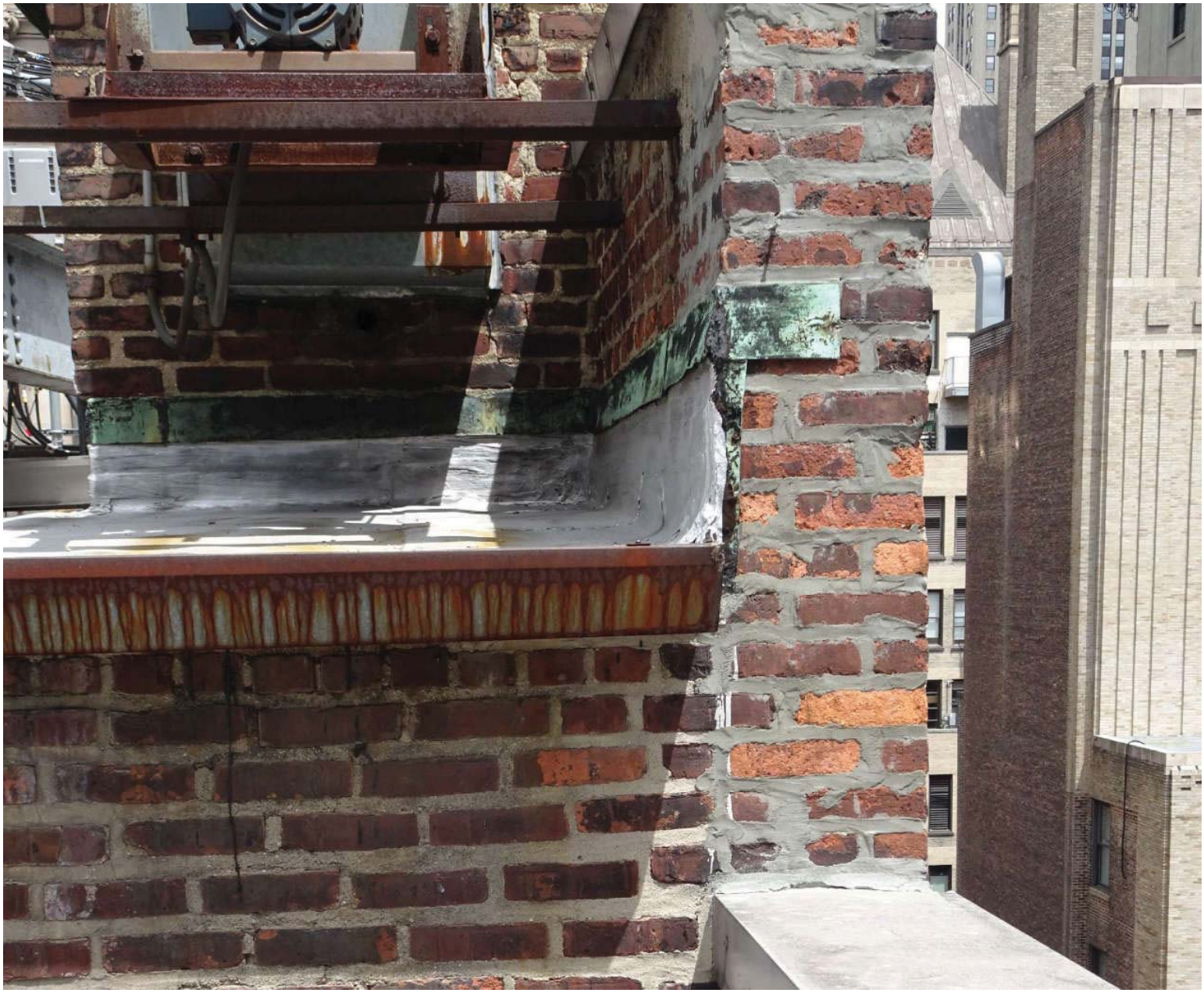
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32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 15
West Façade – Façade 2

- Floor 14 to Roof Level – Open mortar joints repointed



32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 16
East Façade – Façade 4

- Floor Roof Level – Open mortar joints repointed along interior parapet wall



32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 17
North Bulkhead– Roof Level

- Floor Roof Level – Open mortar joints repointed along damaged brickwork replaced.

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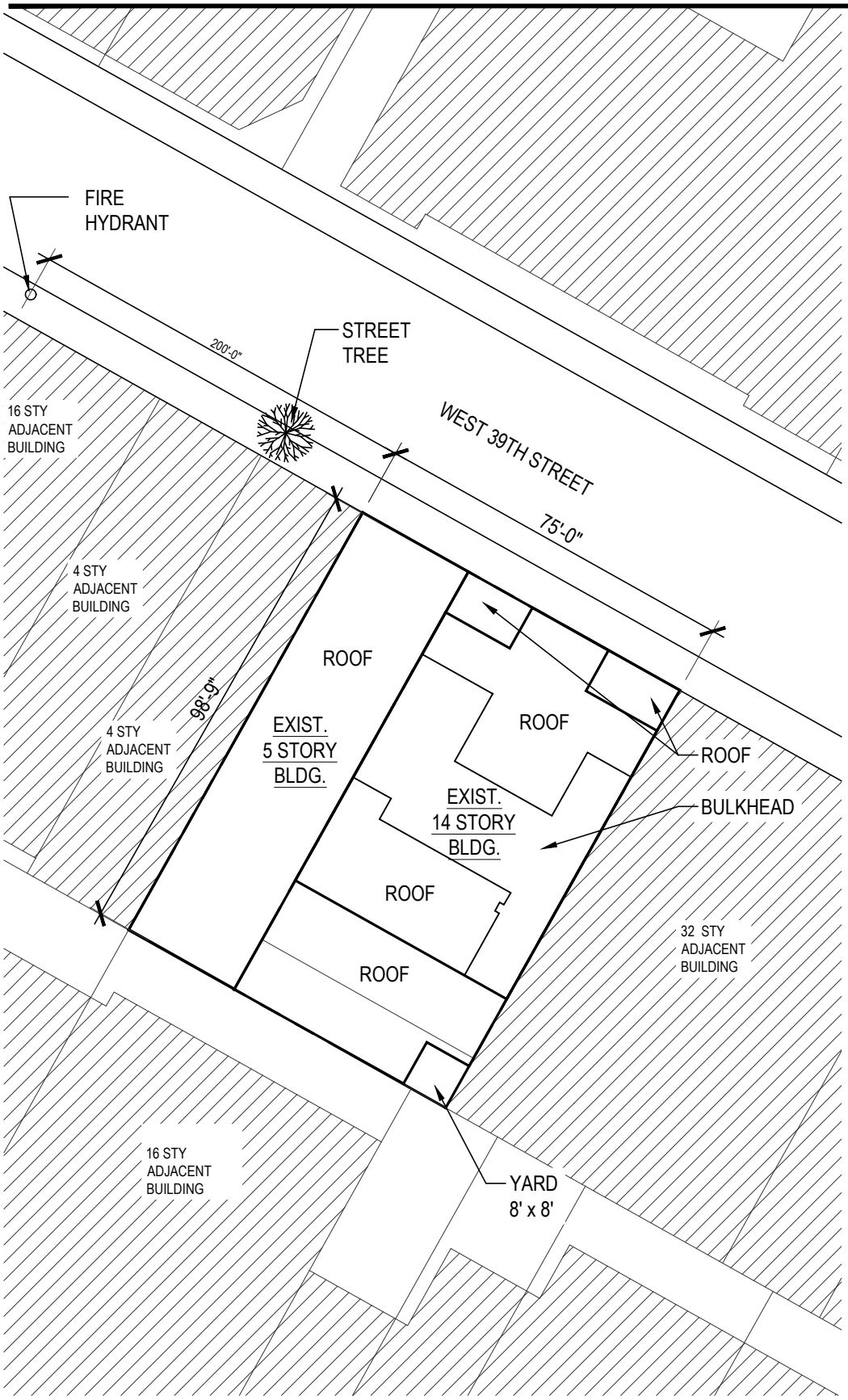


32 West 39 Street – Dated July 20, 2018

Completed Repairs - Photo # 18
North Façade – Façade 1

- Floor 3 – Damaged bricks replaced, and open joints repointed.

FLOOR PLANS



LEGEND	
LAMP POST	
FIRE HYDRANT	
MANHOLE COVER	
TREE	
SHRUB	
DRAIN	

SCALE
0 20 40 80
FEET

N

PLOT PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
HLZAE
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
HLZA JOB NUMBER: 21-0943
DRAWN BY: FS CHECKED BY: KS
PAGE: 1 OF 31

A1-1.00

LEGEND

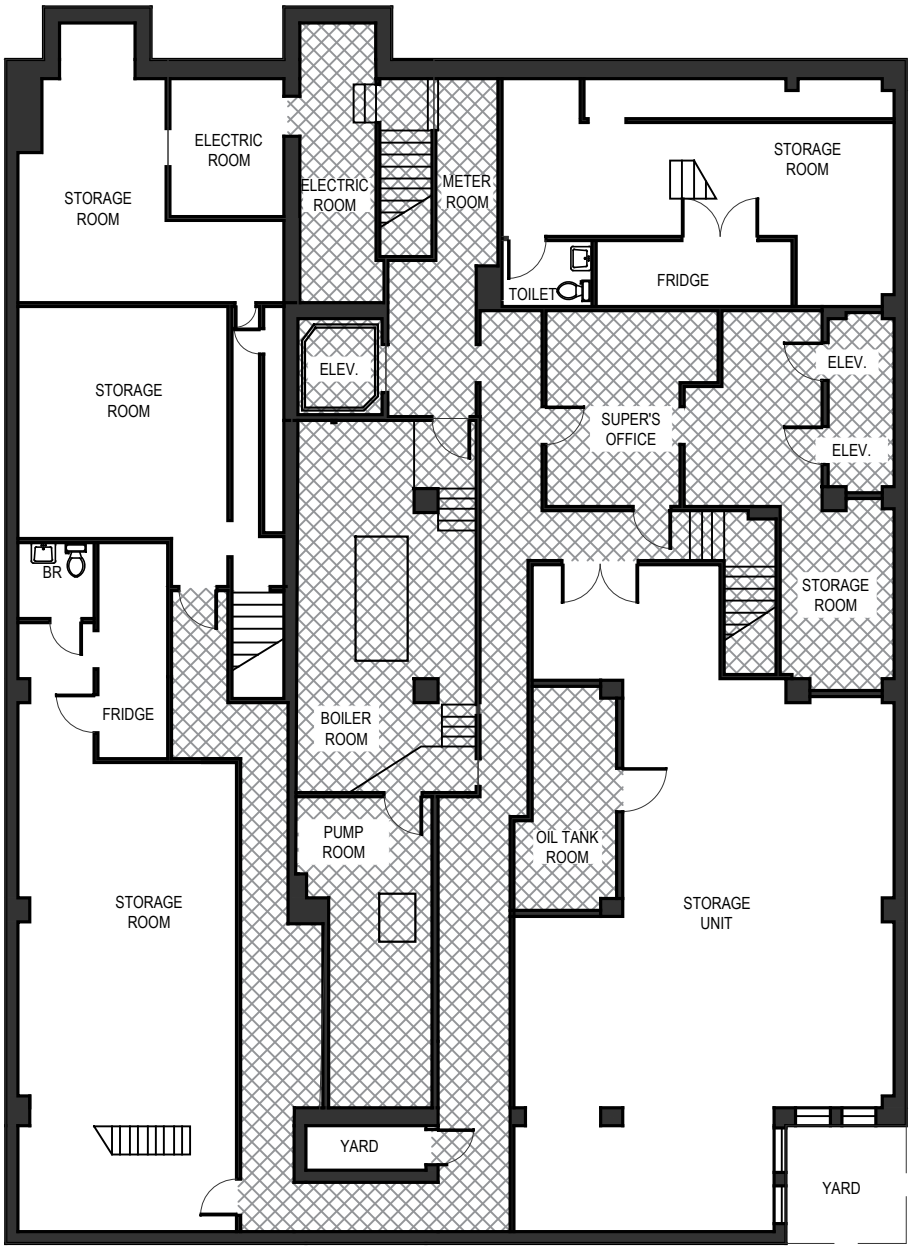
GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

NOTE:

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2. THE LAYOUT REPRESENTED IS A TYPICAL UNIT LAYOUT BASED ON UNITS INSPECTED AND INFORMATION PROVIDED BY BUILDING PERSONNEL. EACH UNIT MAY HAVE SOME VARIATIONS BASED ON MODIFICATIONS COMPLETED BY PAST OR CURRENT RESIDENTS.
3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



SCALE

0 8 16 32

FEET

CELLAR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

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32 WEST 39 STREET
NEW YORK, NY 10018

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DRAWN BY: FS CHECKED BY: KS
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LEGEND

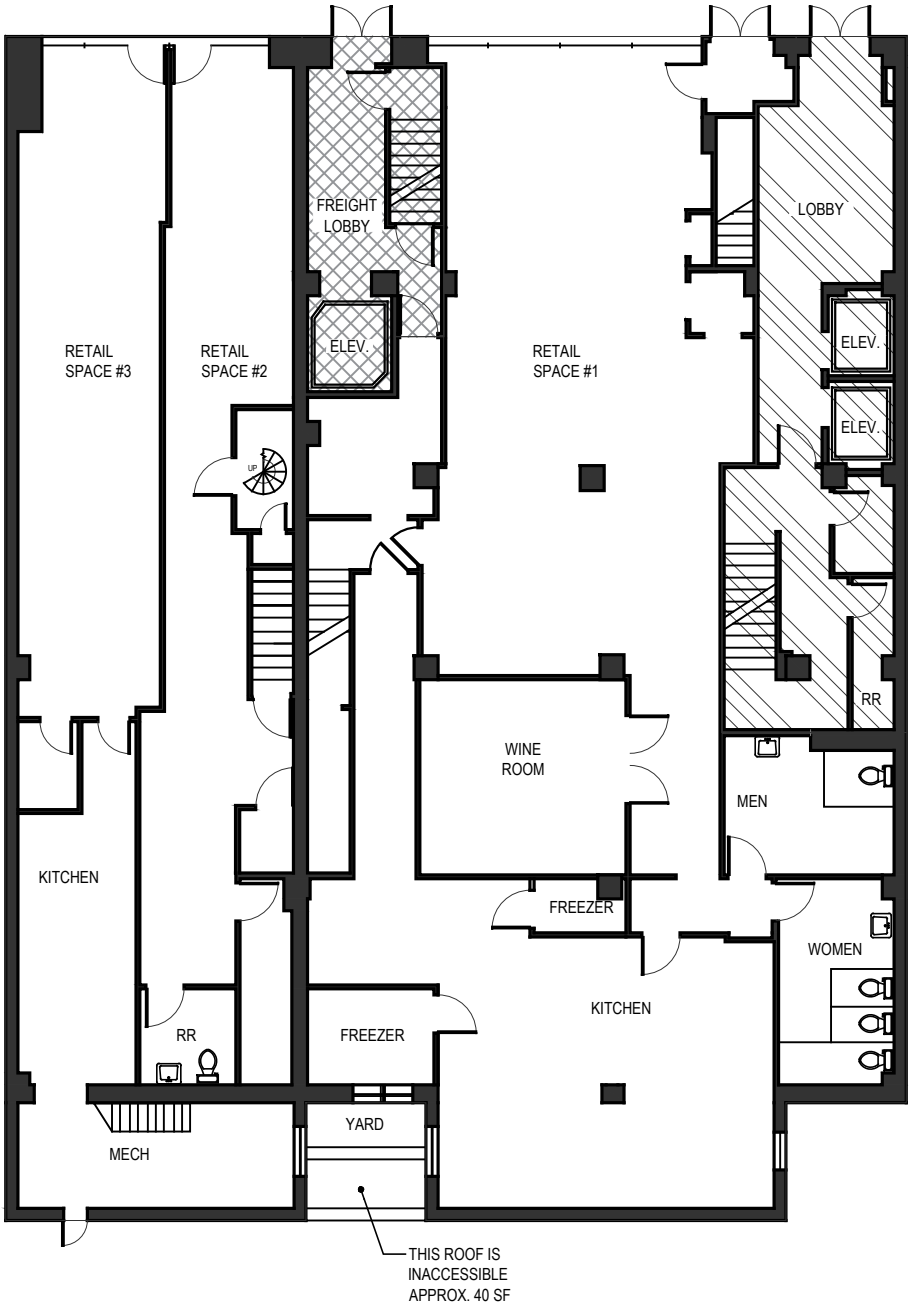
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SCALE

0 8 16 32

FEET

FIRST FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

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LEGEND

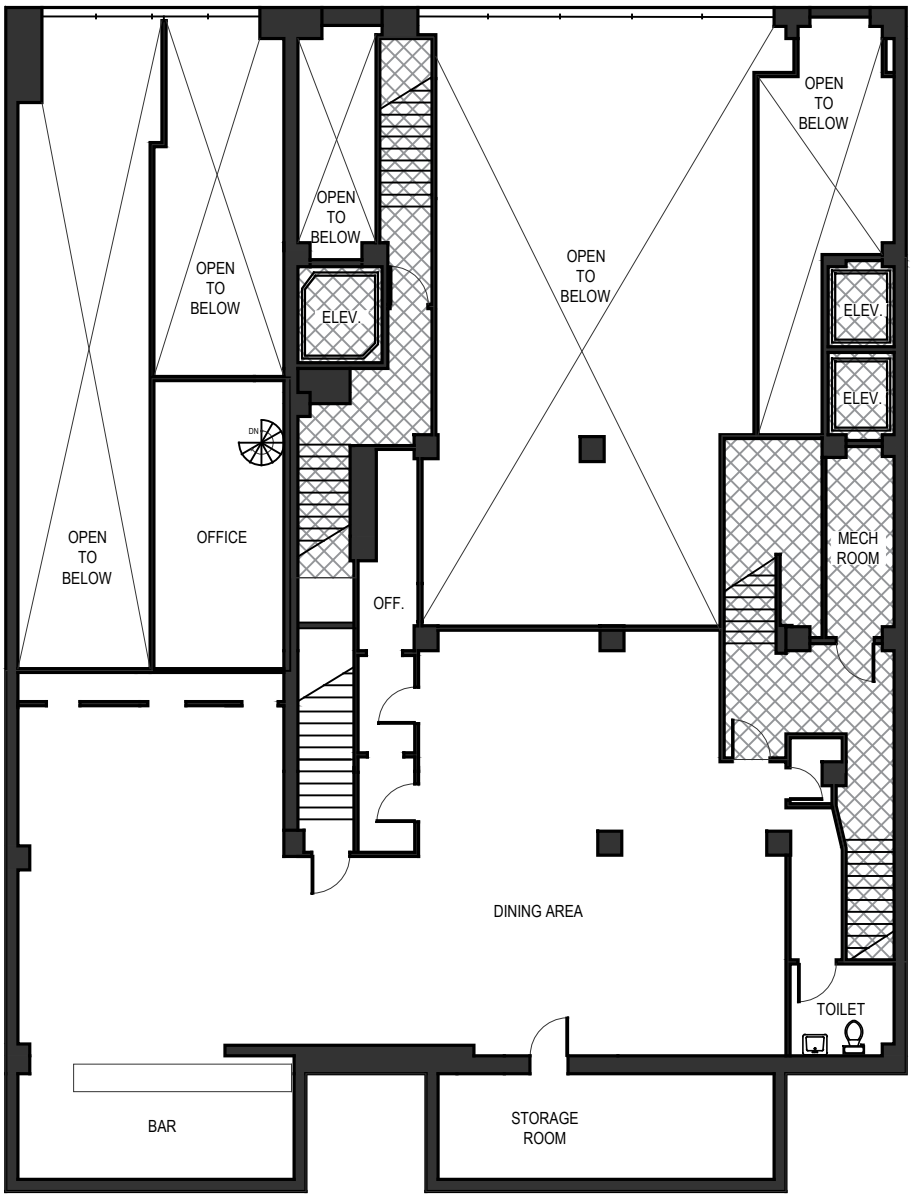
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MEZZANINE FLOOR

SCALE

0 8 16 32

FEET

MEZZ. PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME: **CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY**

PROJECT ADDRESS: 32 WEST 39 STREET NEW YORK, NY 10018

DATE: 11-15-2022

HLZA JOB NUMBER: 21-0943

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PAGE: 4 OF 31

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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

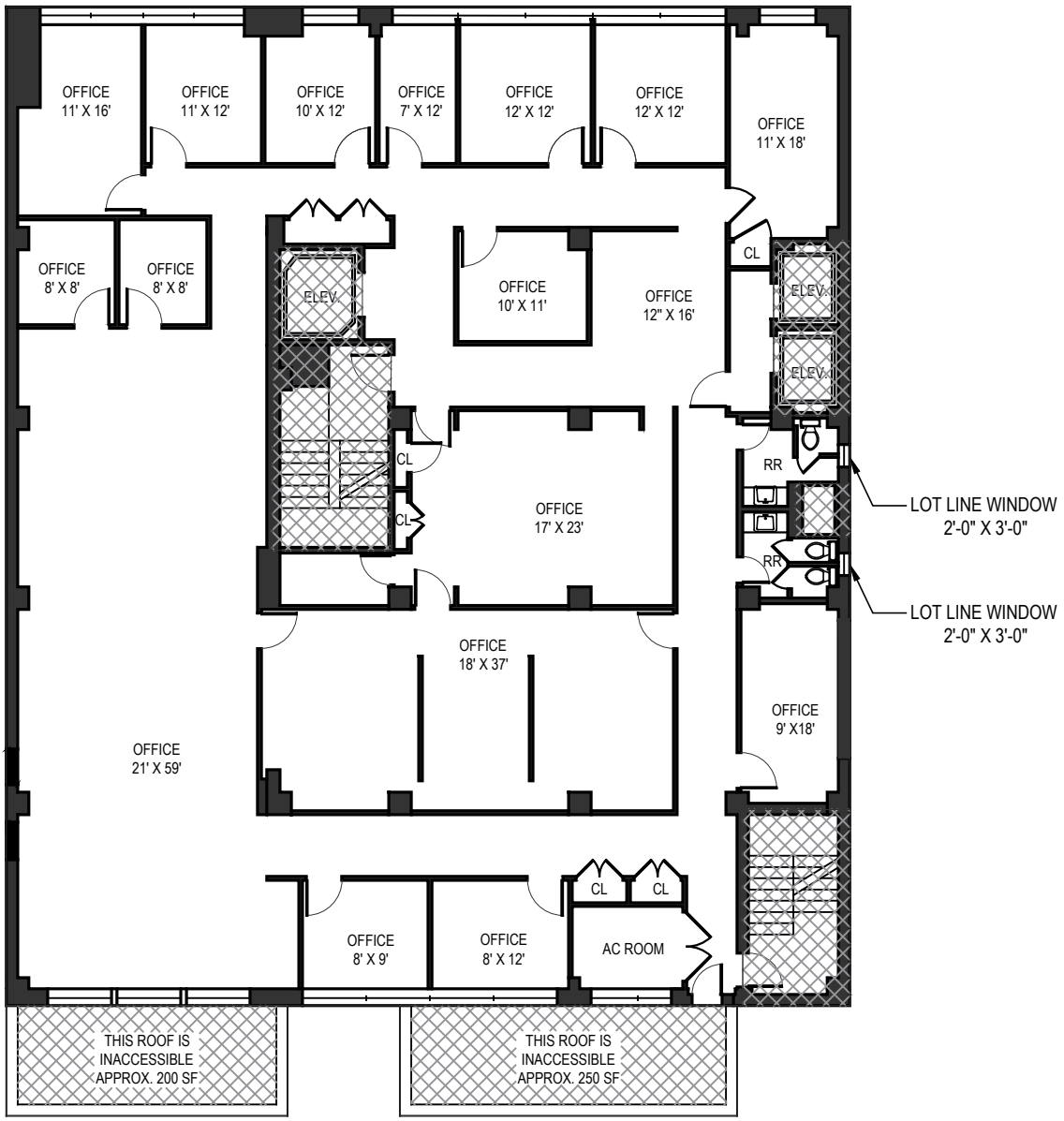
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 3

TOTAL = 6111 SF



SCALE

0 8 16 32

FEET

3RD FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:

CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:

32 WEST 39 STREET

NEW YORK, NY 10018

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PAGE: 5 OF 31

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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

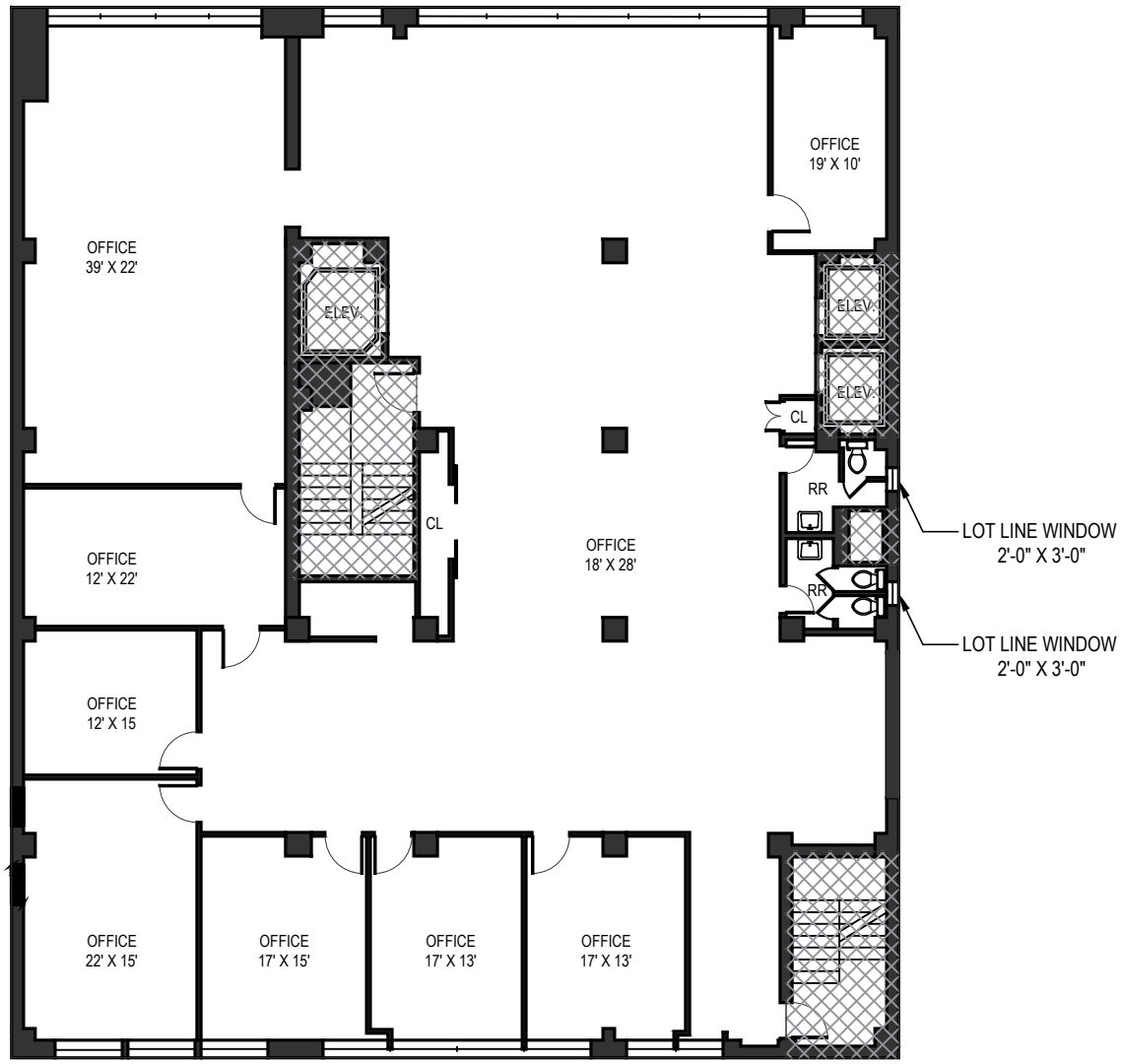
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SQUARE FOOTAGE

OFFICE UNIT 4

TOTAL = 6099 SF



SCALE

0 8 16 32

FEET

4TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME: **CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY**

PROJECT ADDRESS: 32 WEST 39 STREET NEW YORK, NY 10018

DATE: 11-15-2022

HLZA JOB NUMBER: 21-0943

DRAWN BY: FS CHECKED BY: KW

PAGE: 6 OF 31

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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

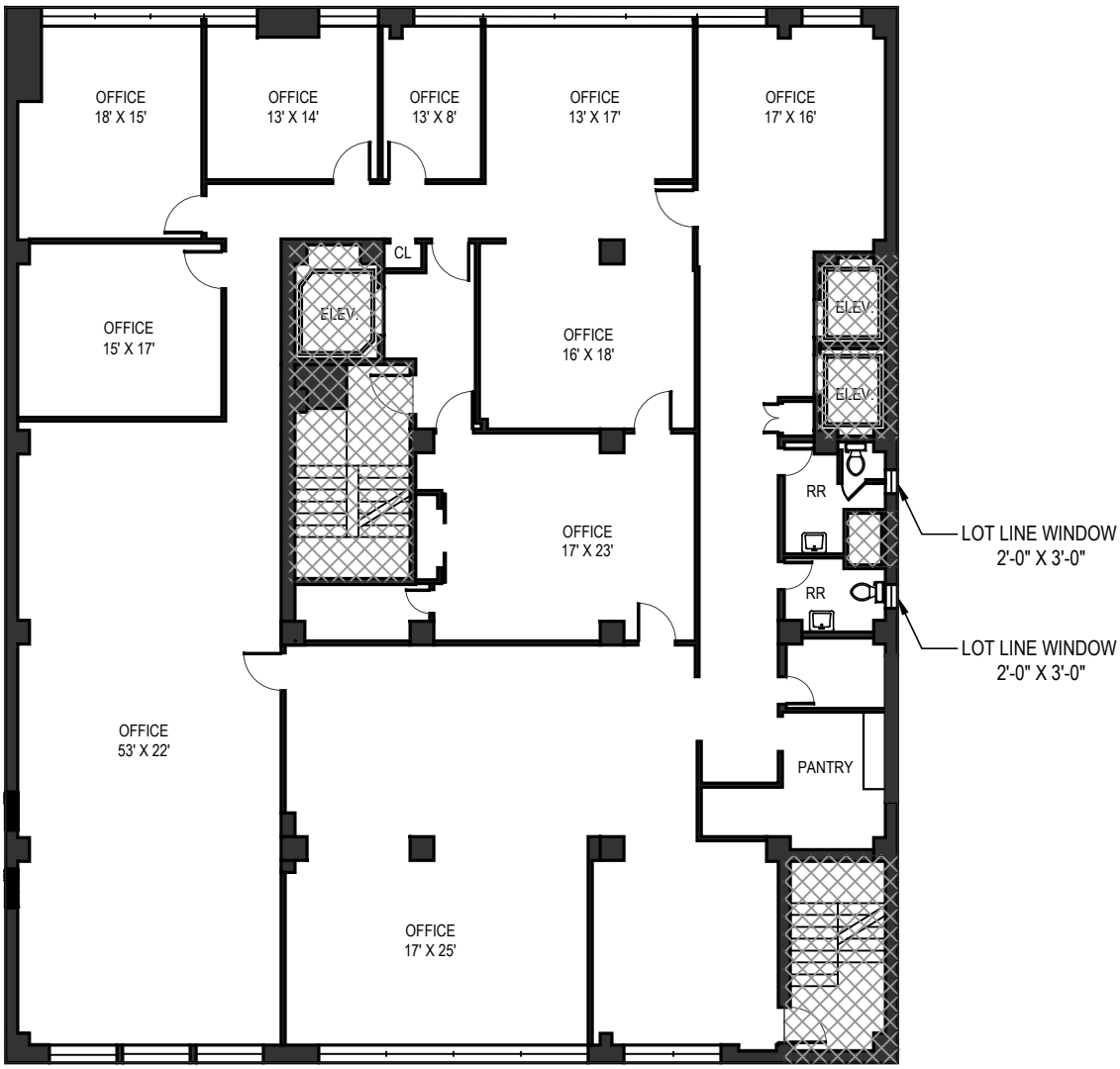
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 5

TOTAL = 6102 SF



SCALE

0 8 16 32

FEET

5TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
HLZA JOB NUMBER: 21-0943
DRAWN BY: FS CHECKED BY: KW
PAGE 7 OF 31

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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

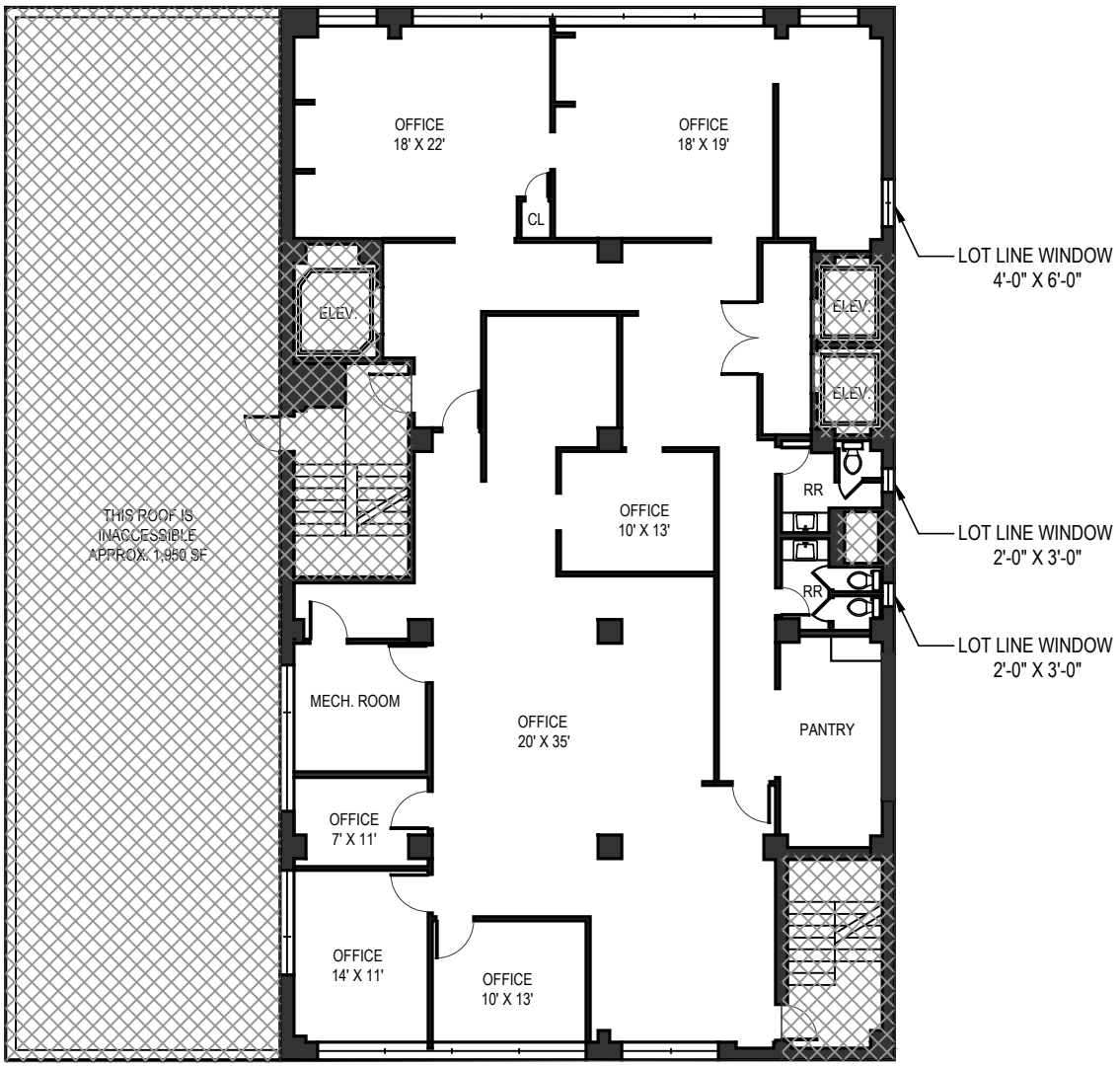
UNIT

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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 6
TOTAL = 4026 SF



SCALE

0 8 16 32
FEET

6TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
HLZA JOB NUMBER: 21-0943
DRAWN BY: FS CHECKED BY: KW
PAGE: 8 OF 31

A1-8.00

LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

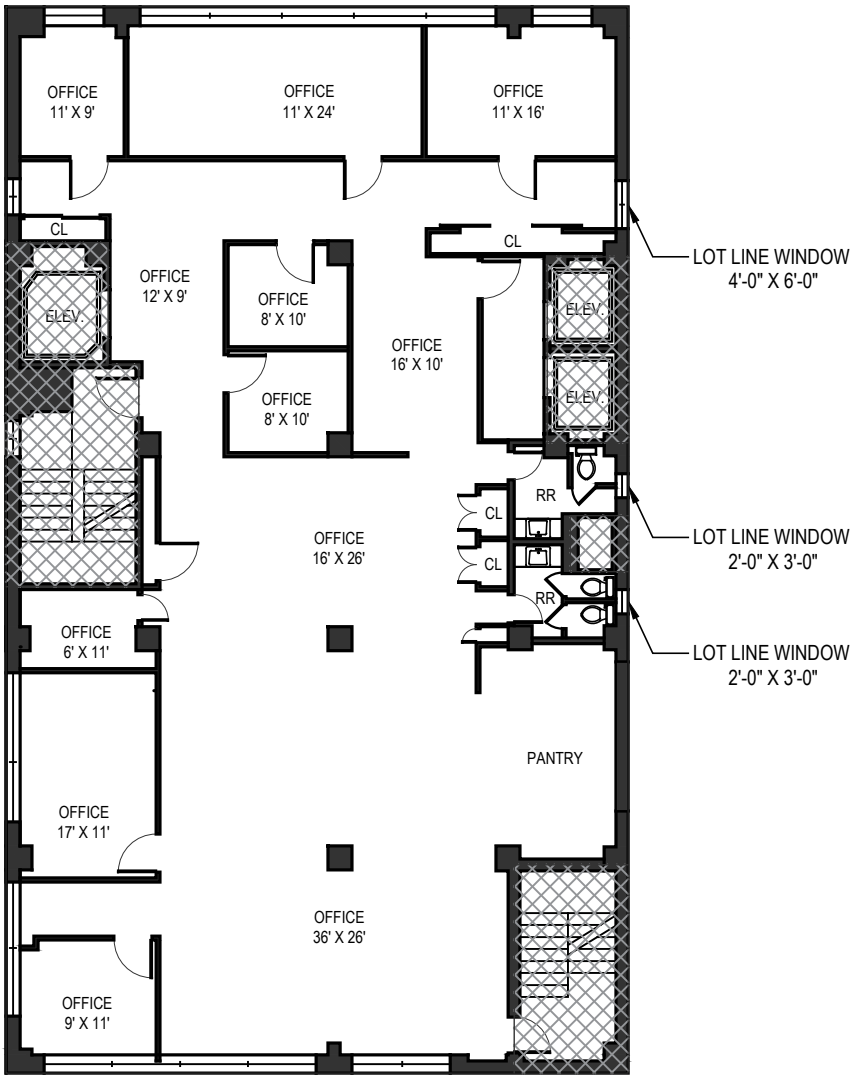
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 7

TOTAL = 4026 SF



SCALE

0 8 16 32

FEET

7TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME: **CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY**

PROJECT ADDRESS: 32 WEST 39 STREET NEW YORK, NY 10018

DATE: 11-15-2022

HLZA JOB NUMBER: 21-0943

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A1-9.00

LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

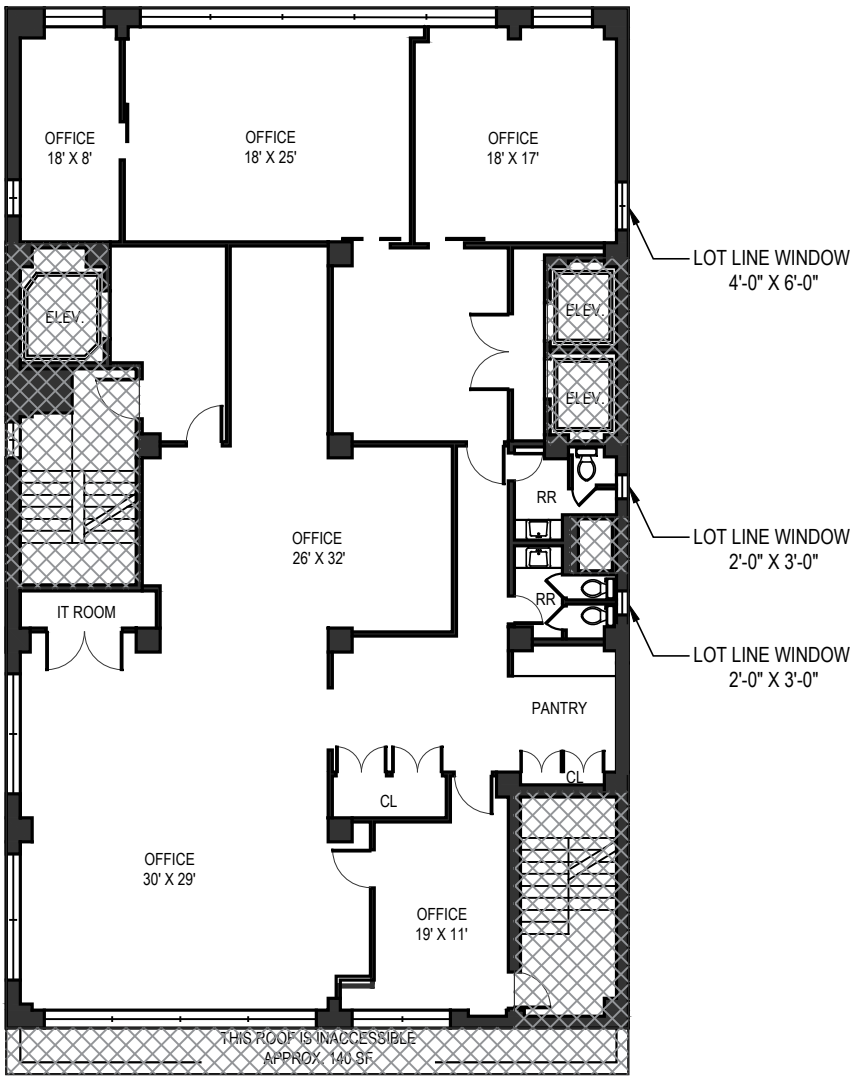
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 8

TOTAL = 3801 SF



SCALE

0 8 16 32

FEET

8TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
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A1-10.00

LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

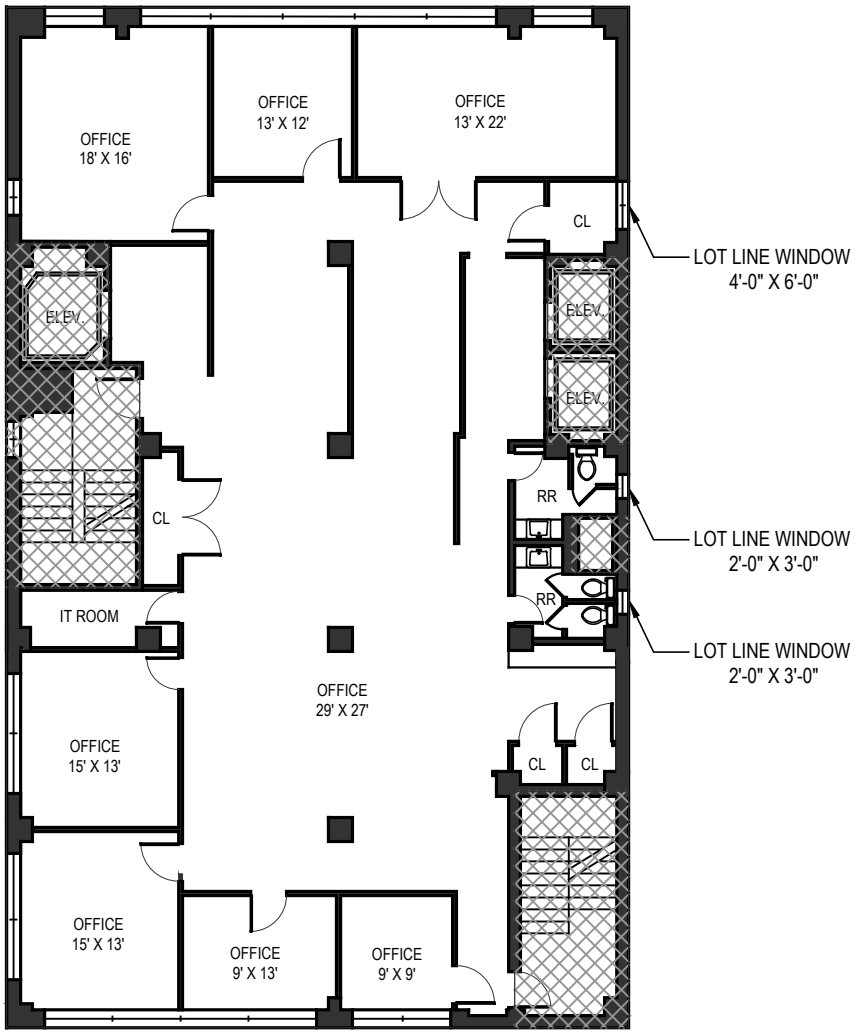
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 9

TOTAL = 3801 SF



SCALE

0 8 16 32

FEET

9TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME: **CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY**

PROJECT ADDRESS: 32 WEST 39 STREET NEW YORK, NY 10018

DATE: 11-15-2022

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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

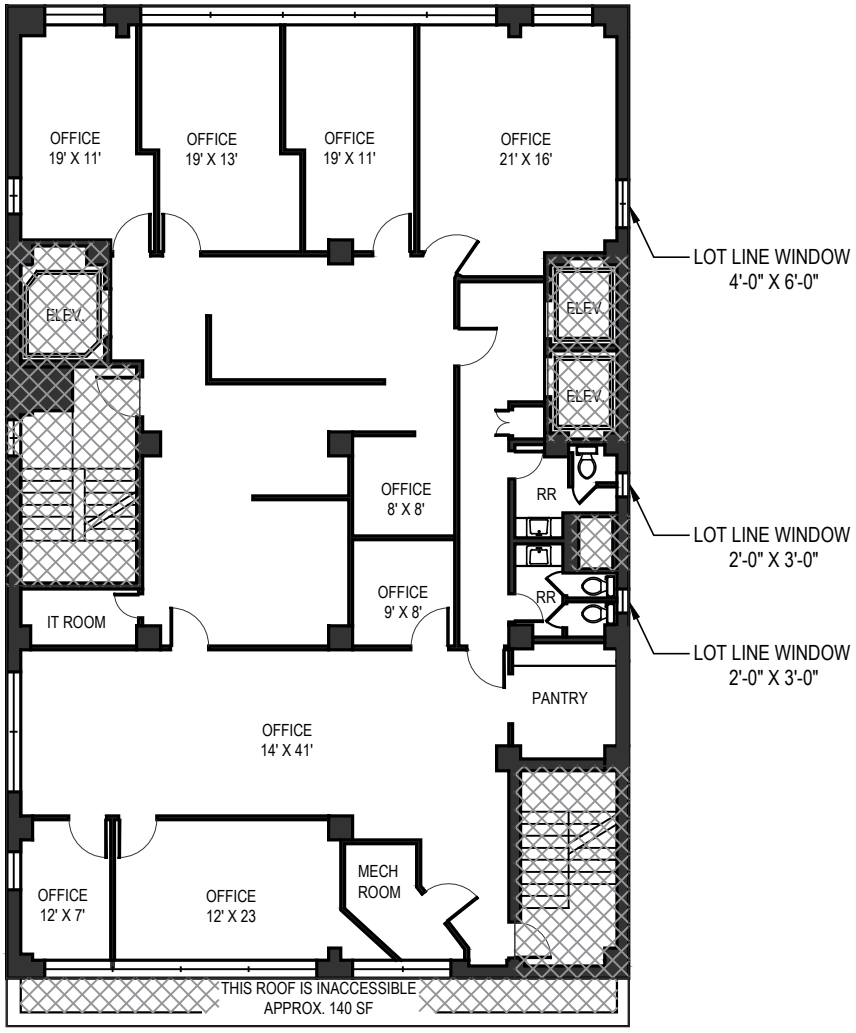
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 10

TOTAL = 3613 SF



SCALE

0 8 16 32

FEET

10TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
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NEW YORK, NY 10018

DATE: 11-15-2022
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A1-12.00

LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

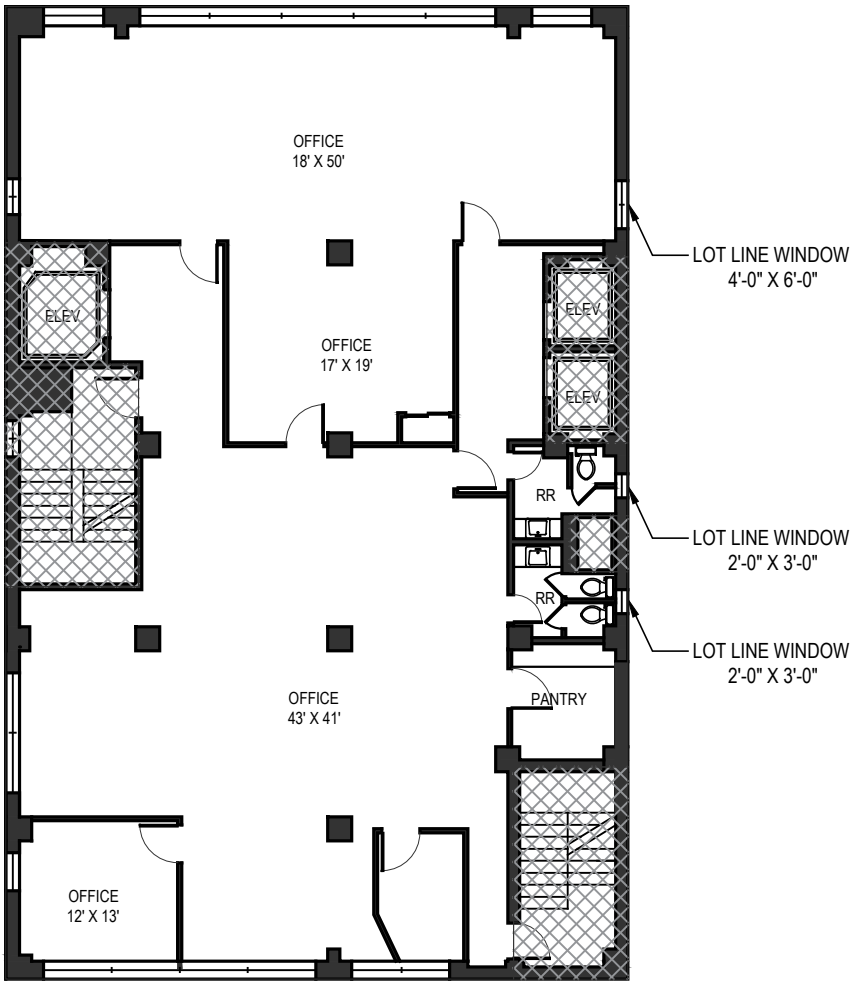
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 11

TOTAL = 3613 SF



SCALE

0 8 16 32

FEET

11TH FLOOR

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

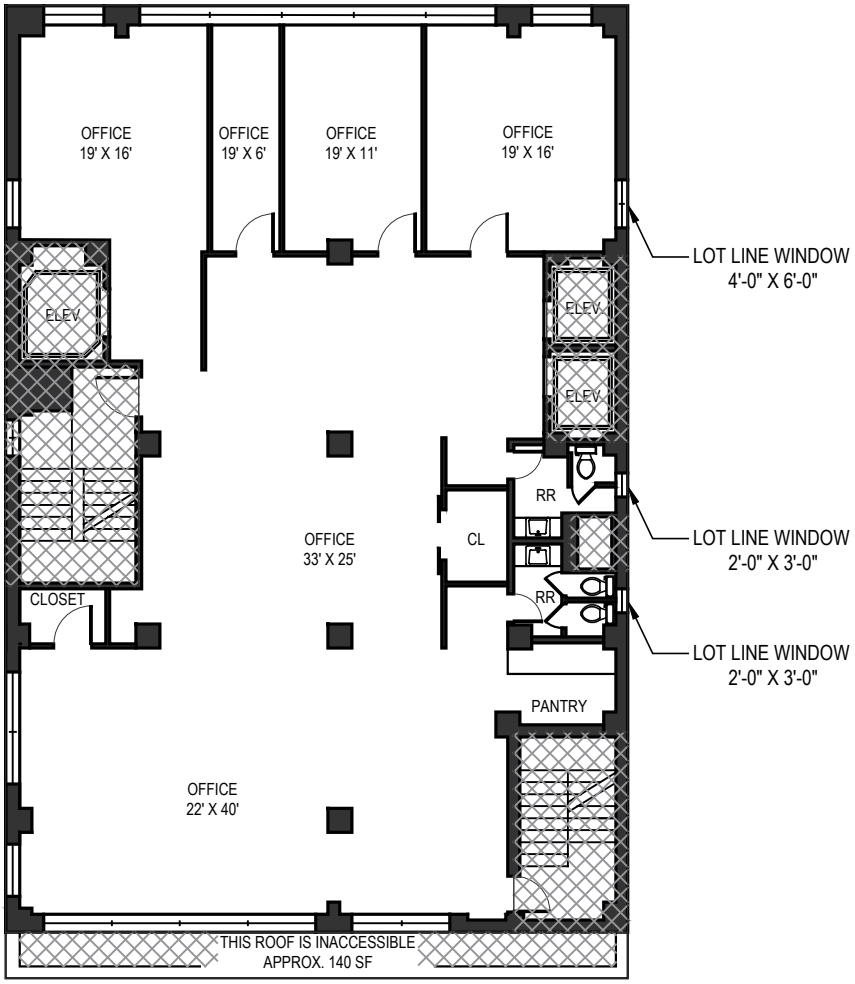
UNIT

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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 12
TOTAL = 3424 SF



SCALE

0 8 16 32

FEET

12TH FLOOR

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

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DATE: 11-15-2022
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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

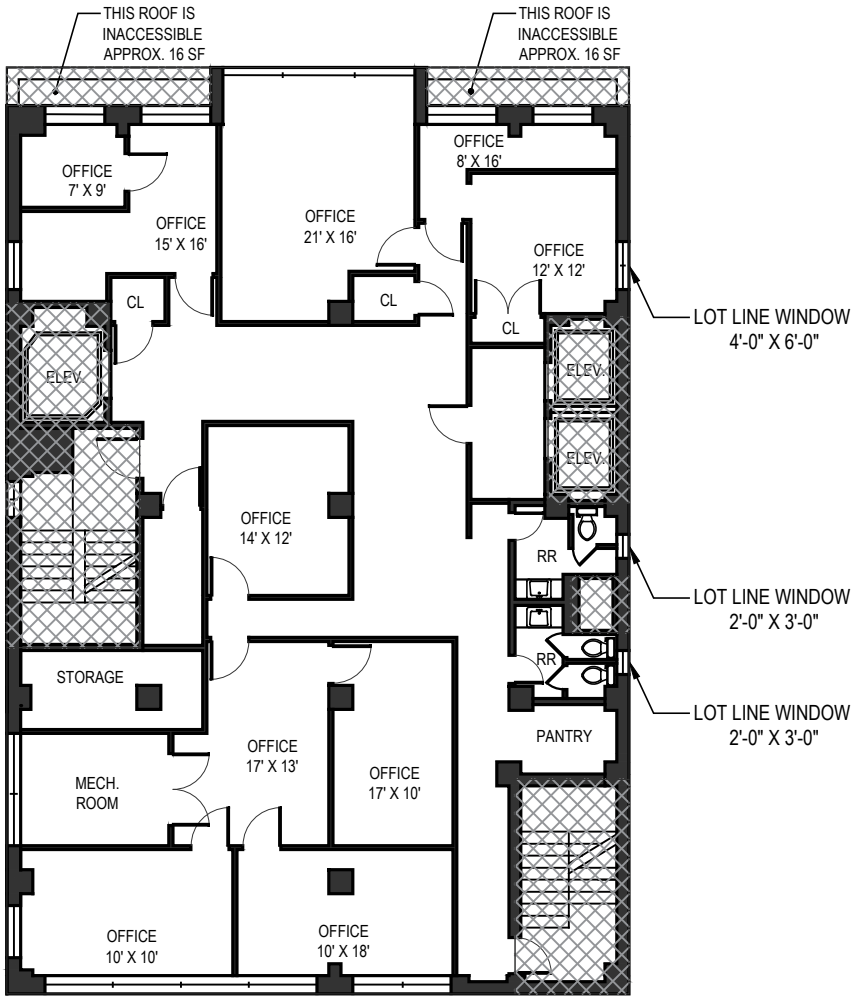
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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 14

TOTAL = 3305 SF



SCALE

0 8 16 32

FEET

14TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC

11 West 30th Street, New York, NY 10001

Phone:212.564.9393

PROJECT NAME: **CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY**

PROJECT ADDRESS: 32 WEST 39 STREET NEW YORK, NY 10018

DATE: 11-15-2022

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LEGEND

GENERAL COMMON ELEMENT

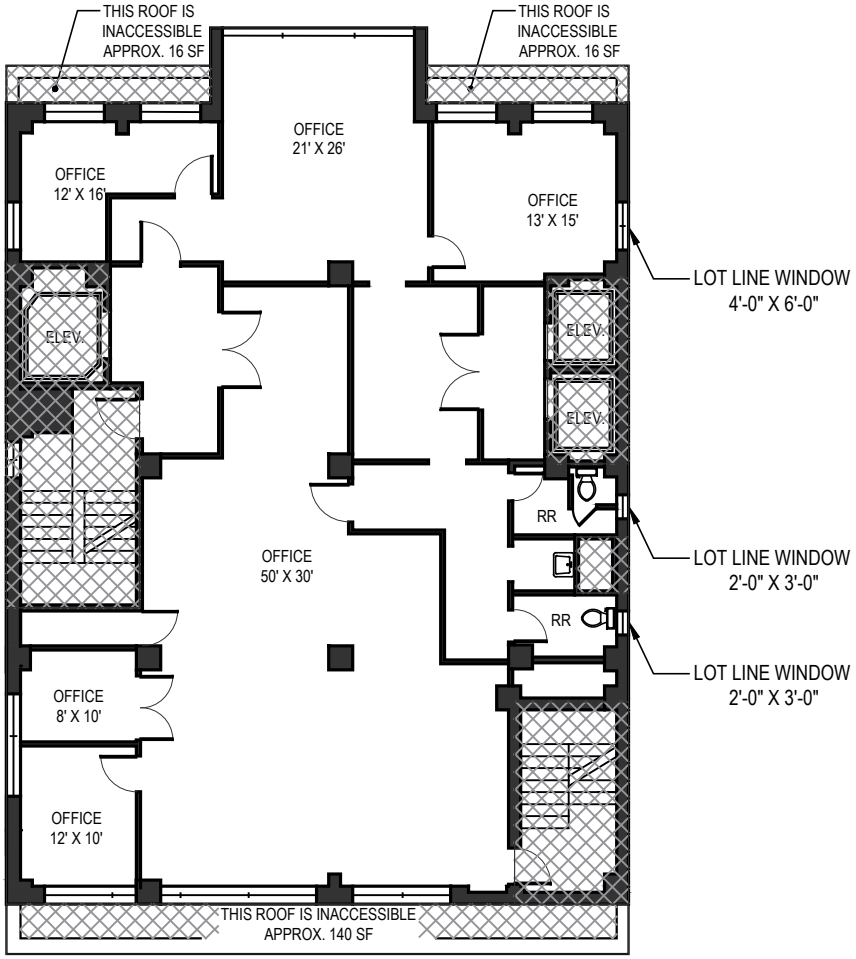
OFFICE COMMON ELEMENT

UNIT

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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE
OFFICE UNIT 15
TOTAL = 2997 SF



SCALE

0 8 16 32

FEET

15TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

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32 WEST 39 STREET
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LEGEND

GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

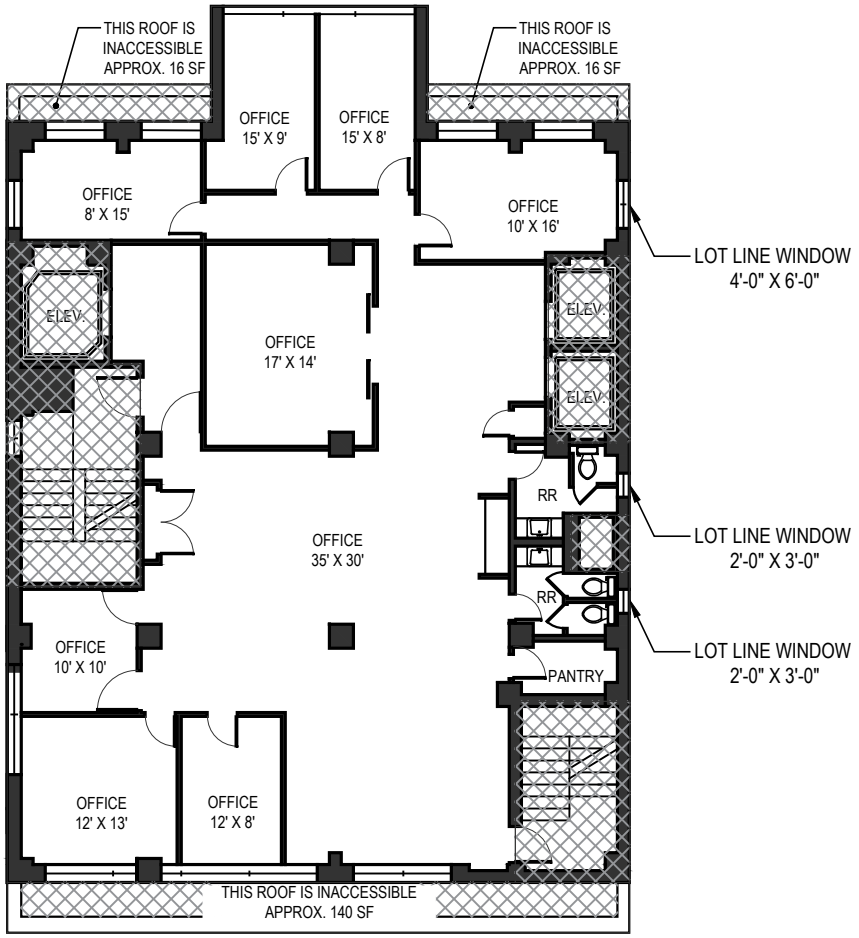
UNIT

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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

SQUARE FOOTAGE

OFFICE UNIT 16
TOTAL = 2898 SF



SCALE

0 8 16 32

FEET

16TH FLOOR PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

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LEGEND

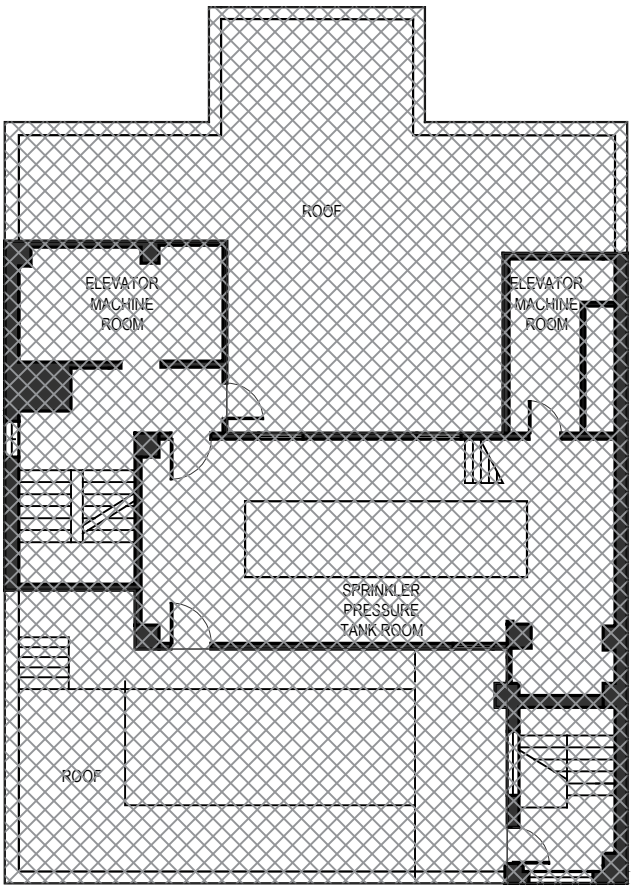
GENERAL COMMON ELEMENT

OFFICE COMMON ELEMENT

UNIT

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3. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.



SCALE

0 8 16 32

FEET

ROOF PLAN

HOWARD L. ZIMMERMAN ARCHITECTS & ENGINEERS PC
11 West 30th Street, New York, NY 10001
Phone:212.564.9393

PROJECT NAME:
CONDOMINIUM CONVERSION - DESCRIPTION OF PROPERTY

PROJECT ADDRESS:
32 WEST 39 STREET
NEW YORK, NY 10018

DATE: 11-15-2022
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PURCHASE AGREEMENT

PURCHASE AGREEMENT

32 W 39th Street Sole Member LLC

Sponsor

With

_____

Purchaser

Unit Number _____

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET
32 WEST 39TH STREET
NEW YORK, NEW YORK 10018

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SCHEDULE A – PERMITTED ENCUMBRANCES

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PURCHASE AGREEMENT

UNIT NUMBER _____

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET
32 WEST 39TH STREET
NEW YORK, NEW YORK 10018

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for Office Condominiums at 32 West 39th Street and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the Deposit to Sponsor. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding except where such provisions were requested by Purchaser and agreed to by Sponsor. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 32 W 39th Street Sole Member LLC, having an address at28 West 36th Street, Suite 301, New York, New York 10018. Sponsor's taxpayer identification number is [_____].

2.2. "Purchaser" means _____ having an address at _____, _____, _____.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 220 East 42 Street, Suite 3302, New York, New York 10017; Attention: Shaun W. Pappas, Esq. Telephone number: (212) 260-2684. Facsimile number: (212) 898-0389. E-mail address: spappas@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____. Attention: _____, Esq. Telephone number: (_____) _____. Facsimile number: (_____) _____. E-mail address: _____.

2.5 "Selling Agent" means Rudder Property Group, LLC, having an address at 36 West 44th Street, Suite 1411, New York, New York 10036. Telephone number: (212) 966-3611. E-mail address: mrudder@rudderpg.com.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Landstar Title Agency Inc., having and office at 355 Lexington Avenue, 10th Floor, New York, New York 10017. Telephone number: (212) 991-6513. Facsimile number: (212) 991-6514. E-mail address: mbotarelli@landstartitle.net.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit designated as Unit _____ in the Declaration ("Unit"), together with its undivided _____% interest in the Common Elements appurtenant to such Unit.

4. PURCHASE PRICE

4.1 The Purchase Price of the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____, ("Deposit"), due upon Purchaser's signing and delivering this Agreement;

(b) $_____ ("Balance of Purchase Price"), due upon the delivery of the deed to the Unit.

4.2 Purchaser must deliver the payment of a Deposit or the Balance of the Purchase Price by wire transfer unless Sponsor offers, in Sponsor's sole discretion, to accept an official bank check. Any and all wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser. All instruments (a) in payment of a Deposit shall be wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan (or, if Sponsor offers to accept payment in the form of an official bank check, made payable directly to the order of "Starr Associates LLP, as Escrow Agent") and (b) in payment of the Balance of the Purchase Price shall be wired to one or more accounts as directed by Sponsor. In the event Sponsor offers to accept payment in the form of an official bank check: (i) checks must be drawn or issued by a bank or trust company which is a member of the New York Clearinghouse Association, with the understanding that checks drawn on out-of-state or foreign banks will not be accepted; (ii) in the event of any return of any check for insufficient funds or for any other reason, Purchaser shall be solely responsible for any and all penalties or other fees imposed by the escrow bank or any other bank in connection therewith; and (iii) a return of any check delivered in payment of the Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under this Agreement, rendering this Agreement void *ab initio* and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under this Agreement and the Unit may be sold to another as though this Agreement had never been made. All instruments accepted by Sponsor are subject to collection. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

5. DEPOSITS TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of §§ 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards a Deposit shall be delivered to Escrow Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements" a copy of which is annexed hereto as Schedule C and made a part hereof. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of all Deposits to Sponsor in the event Sponsor and Purchaser close title under this Agreement. In the event

Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, all Deposits shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 220 East 42nd Street, Suite 3302, New York, New York 10017 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior notice ("Initial Closing Notice"). After the Initial Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing at any time on notice to Purchaser, which new Closing notice shall fix a new date, hour and place for the Closing. The rescheduled Closing shall not be earlier than: (a) the date set forth in the Initial Closing Notice or, (b) 5 days from the date of Sponsor's Closing adjournment notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorneys for Sponsor at Closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the conveyance of title to the Unit from Sponsor to Purchaser.

6.3 The Closing of Title shall only occur with or after compliance with the prerequisites to Closing and the Section of the Plan entitled "Terms of Sale."

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS § 1445 as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms and reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to Closing to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Attorney for Sponsor written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subsection, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subsection shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed; and

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner) unless Sponsor obtains a refund or credit as provided in subsection 9.3 below.

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund or credit (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date subject to Sponsor's rights under subsection 13.2 of this Agreement, (a) the Closing apportionments described in subsection 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's increased carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

10.1 In the event a mortgage recording tax credit becomes available pursuant to §339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10.2 In the event that (i) Sponsor is ineligible for a mortgage recording tax credit, (ii) Purchaser obtains mortgage financing and (iii) Sponsor has an outstanding mortgage at the time of Closing, then, as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments," Purchaser

shall (x) advise its lender of this provision and make a good faith effort to cooperate with Sponsor and Sponsor's lender to facilitate a partial assignment of Sponsor's mortgage to Purchaser's lender, and (y) cause its title company (if such title company is different from the Title Company named in the Plan) to cooperate with Sponsor's Title Company in effectuating and keeping record of the partial mortgage assignments.

11. CLOSING COSTS

In addition to those costs and adjustments described in Sections 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." **All closing costs shall be paid by Purchaser** by wire transfer, unless Sponsor offers, in Sponsor's sole discretion to accept an official bank check or unendorsed personal check – in any event subject to all terms and conditions relating to wires and bank checks set forth in subsection 4.2 of this Agreement. Any and all wire transfer fees charged by the initiating and/or receiving bank(s) shall be payable by Purchaser.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the 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(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to close title to the Unit on the scheduled Closing Date; or

(ii) Purchaser's failure to pay when due, or the dishonor of any check delivered by Purchaser to Sponsor in payment of any the Balance of the Purchase Price, or any closing adjustment, closing cost or fee, including, without limitation, attorneys' fees required to be paid by Purchaser as set forth in the Plan or in this Agreement; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is or has been filed against Purchaser and Purchaser does not pay or bond the judgment or lien as and when demanded by Sponsor; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for sale or rental with any broker, placing or authorizing any listing of the Unit for sale in any broker's listing system or any other listing service or advertising, or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed in Sponsor's sole and absolute discretion; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a purchase agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's performance of any of its obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the Event of Default. If the Event of Default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall have the right to retain, as and for liquidated damages any and all Deposits together with any interest earned thereon.

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, without any obligation to account to Purchaser for any of the proceeds of such sale.

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

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and all Deposits, together with any interest earned thereon, shall be returned to Purchaser within 30 days from the filing date of the amendment abandoning the Plan. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by

fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. INSPECTION OF THE UNIT

Upon receipt of the Initial Closing Notice, Purchaser may, at its option, arrange an appointment with a representative of Sponsor to inspect the interior of the Unit within the 7 days prior to the Closing Date fixed by the Initial Closing Notice solely to confirm that the Unit is in substantially the condition as of the date of this Agreement. Purchaser shall have no right to create any punchlist. Failure of Purchaser to arrange such appointment or to inspect the interior of the Unit within 7 days prior to the Closing Date fixed by the Closing Notice shall not excuse Purchaser from appearing at the Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit "as is."

18. ACCEPTANCE OF CONDITION OF PROPERTY

Purchaser agrees to take the Unit and the fixtures and personal property contained therein, if any, "AS IS" and in its condition as of the date hereof, subject to normal wear and tear. The execution of this Agreement by Purchaser signifies Purchaser's acceptance of the condition of the Unit, including the Building, the Common Elements, and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property on the Property (collectively, the "Installations") in their respective conditions, as of the date hereof, subject to normal wear and tear. Purchaser acknowledges having read the Description of Property and Improvements set forth in Part II of the Plan. Purchaser acknowledges that Sponsor has no obligation to make any repairs, improvements or decorations in or to the Unit, the Building, the Property or the Installations except as otherwise required pursuant to the terms of the Plan and this Agreement.

19. DAMAGE TO THE UNIT

If, between the date of this Agreement and the Closing of Title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be

made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, promotional material, express or implied warranties, data statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent, Attorney for Sponsor, or any other person, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms or amenities contained in the Unit or Building 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 assessed against on the Unit, the ability to rent the Unit and/or the rental income that the Unit can expect to generate, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, the impact, if any, of adjacent development near the Building or the Unit or Purchaser's use and enjoyment of the Building or Unit, or on any other data or with respect to any matter which might influence Purchaser's decision to execute this Agreement or purchase the Unit, except as in this Agreement or in the Plan specifically represented. Purchaser specifically disclaims reliance upon any misrepresentations of fact that were alleged to have been made as an inducement to Purchaser to enter into this Agreement

In making its determination to proceed with this transaction and purchase the Unit, Purchaser has relied solely on Purchaser's own judgment, advisors, legal counsel and investigation in deciding to enter into this Agreement. No person has been authorized to make any representations on behalf of Sponsor except as in this Agreement or in the Plan specifically set forth, and Purchaser acknowledges that no such representations have been made. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation as to the work, timing of any work or completion of post-Closing items listed on Inspection Statements, materials, appliances, equipment or fixtures in the Unit, the Common Elements, or any other part of the Property, including the amenities. Sponsor makes no representation that the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building, including the amenities or Units, or set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of Units that any such FFE will be located within any portion of the Building, including the amenities or Units, other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of

any Purchaser's obligations hereunder by reason of any immaterial inaccuracy or error. The provisions of this Section shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Purchaser is prohibited for a period of twelve (12) months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale with any broker, (ii) placing or authorizing any listing of the Unit for sale in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale. The provisions of this Section shall survive the Closing of Title.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor pursuant to a separate agreement between Sponsor and Selling Agent. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor or Selling Agent for commissions by any broker, other than the Selling Agent or the Co-Broker, arising out of or relating to any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor and Selling Agent free and harmless from and against any and all liabilities and expenses in connection therewith, including legal fees. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment, (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the delivery to Sponsor of this Agreement executed by Purchaser together with the Deposit by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication under this Agreement ("Notice") shall be in writing and either delivered in person, delivered via electronic transmission (e-mail), sent postage prepaid by registered or certified mail return receipt requested, or delivered by Federal Express or other reputable overnight courier with receipt confirmed: (a) if to Purchaser, then to Attorney for Purchaser at the address for Attorney for Purchaser given at the beginning of this Agreement, with a courtesy copy by regular mail delivered to Purchaser at the address for Purchaser given at the beginning of this Agreement and (b) if to Sponsor, to Attorneys for Sponsor at the address given for Attorneys for Sponsor at the beginning of this Agreement, with a courtesy copy by regular mail delivered to Sponsor at the address for Sponsor given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which a Notice is to be sent. Except as otherwise expressly provided herein, a Notice shall be deemed "given" (i) if by personal delivery, on the date when personally delivered, (ii) if by electronic transmission (e-mail), on the day the electronic transmission was initiated, (iii) if by overnight courier, when delivered to the overnight courier, or (iv) in the case of mailing, three (3) days after the date mailed in a prepaid sealed wrapper at a United States Post Office. Notwithstanding the fact that the Plan is incorporated in this Agreement by reference, this Section shall pertain solely to Notices required solely under this Agreement to the exclusion of any notices required under the Plan, and in no event shall be construed to undermine, supplement, or supplant the notice requirements set forth in the regulations promulgated by the Department of Law to the extent the latter may be applicable.

25.2 Sponsor and Purchaser hereby designate and empower their respective attorneys, as their agents, to give and receive Notice under this Agreement. In connection therewith, (x) any Notice given by either of the parties to the other party's attorney shall be deemed Notice to the party itself (with the same force and effect as if received by the party itself), and (y) any Notice received by either of the parties from the other party's attorneys shall be deemed to be Notice from such party itself (with the same force and effect as if given by the party itself). Notwithstanding anything set forth in this Agreement to the contrary, provided that Notice is given to Attorney for Purchaser or Attorneys for Sponsor (as applicable) in compliance with one of the methods set forth in the previous paragraph, the giving of Notice shall be deemed complete and sufficient for the purpose of any Notice requirement under this Agreement.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. FORCE MAJEURE

In the event that any obligation or undertaking required by Sponsor under this Agreement (including without limitation any fully executed rider hereto) is prevented, delayed or hindered by Force Majeure, Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the duration of the Force Majeure event and such tolling shall not entitle Purchaser to any credit, offset, or reduction in Purchase Price or to be relieved of any other obligation under this Agreement. In the event of any inconsistency between this Section and any other provision set forth in this Agreement (including without limitation in any full-executed rider hereto, notwithstanding anything set forth in such rider to the contrary), this Section shall prevail and govern. This Section shall survive the Closing.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction

contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. AGREEMENT NOT CONTINGENT UPON FINANCING

Although a Purchaser may obtain financing from any lending institution or other source, the obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her Deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution and may want to finalize their financing arrangements before execution of a Purchase Agreement. No representation is made by Sponsor or Selling Agent as to the availability, cost or terms of such financing. While the First Closing is projected to occur on or around July 1, 2023, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor, provided Sponsor is deemed the prevailing party, for any and all legal fees, court costs, disbursements and related expenses, incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement, beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder, whether or not litigation or an adversarial proceeding is brought that arises from or relates to this Agreement and whether the litigation or adversarial proceeding arises between Purchaser and Sponsor or between a third party and Sponsor or Purchaser.

31. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

34. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

35. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to articles, sections, paragraphs, subsections or other provisions are references to articles, sections, paragraphs, subsections or other provisions of this Agreement.

36. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

37. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

38. CONFIDENTIALITY

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

39. LETTER OF CREDIT IN LIEU OF DEPOSITS IN ESCROW

Purchaser acknowledges and agrees that Sponsor has the right, in its sole discretion, to elect to withdraw any Deposits and secure it with a Letter of Credit as more fully set forth in the Plan and Purchaser hereby consents to such withdrawal of the funds from escrow.

40. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

41. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

42. COUNTERPARTS

This Agreement may be executed in any number of original, email, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

43. RESALE FEE

43.1 In the event that Purchaser enters into an agreement ("Resale Agreement") to sell the Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor Lender so long as the Sponsor Loan is outstanding and thereafter to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under this Agreement.

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

43.3 The provisions of this Section shall survive the Closing of Title.

44. GOVERNING LAW/JURISDICTION AND VENUE/AGENT FOR SERVICES OF PROCESS

44.1 This Agreement was negotiated in the State of New York and the Unit to be conveyed pursuant hereto is located in the State of New York, which State the parties agree has a substantial relationship to the parties and to the underlying transaction embodied hereby, and in all respects, including matters of construction, validity and performance, this Agreement and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and performed in such State and any applicable law of the United States of America. Purchaser hereby unconditionally and irrevocably waives any claim to assert that the law of any other jurisdiction governs this Agreement and this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

44.2 Any legal suit, action or proceeding against Sponsor or Purchaser arising out of or relating to this Agreement shall be instituted in any Federal or State court in New York County, New York and Purchaser waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and Purchaser hereby irrevocably submits to the jurisdiction of any such court in any suit, action or proceeding. Purchaser does hereby designate and appoint Attorney for Purchaser as its authorized agent to accept and acknowledge on its behalf service of any and all process

which may be served in any such suit, action or proceeding in any federal or state court in New York, New York, and agrees that service of process upon said agent at said address and written notice of said service of Purchaser mailed or delivered to Purchaser in the manner provided in this Agreement shall be deemed in every respect effective service of process upon Purchaser (unless local law requires another method of service), in any such suit, action or proceeding in the State of New York. Purchaser (i) shall give prompt notice to Sponsor of any changed address of its authorized agent hereunder, (ii) may at any time and from time to time designate a substitute authorized agent with an office in New York, New York (which office shall be designated as the address for service of process), and (iii) shall promptly designate such a substitute if its authorized agent ceases to have an office in New York, New York or is dissolved without leaving a successor

45. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

45.1 The provisions of this Article shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

45.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser hereby designates a 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 or the Condominium Documents.

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

46. PURCHASER'S REPRESENTATIONS

46.1 Purchaser is not now, nor shall at any time prior to or at the Closing of Title, be a Person with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser, is now nor shall be at any time prior to or at the Closing of Title, be a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, (i) is prohibited from transacting business; or (ii) with whom U.S. Persons may only, subject to the imposition of significant fines and/or penalties, transact business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by OFAC or otherwise.

46.2 Purchaser has taken, and until the Closing of Title shall continue to take, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law, and to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and at Closing will be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. § 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. § 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et.

seq.; and the International Emergency Economic Powers Acts, 50 U.S.C. § 1701 et. seq., and the sanctions and regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. §§ 1956 and 1957, as amended from time to time.

46.3 The provisions of this Section shall survive the Closing of Title to the Unit or the earlier termination of this Agreement.

47. FINANCIAL CRIMES ENFORCEMENT NETWORK

In the event that this transaction falls within the scope of the Geographic Targeting Order ("Order") issued by the Financial Crimes Enforcement Network of the U.S. Department of Treasury (as may be amended from time to time), Purchaser shall deliver to the Title Company at Closing all documents and information requested by the Title Company in order to comply with the requirements set forth in the Order. Any failure by a Purchaser to perform its obligations under this paragraph shall constitute an Event of Default under this Agreement.

48. CERTIFICATION OF SPONSOR AND PRINCIPAL

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

49. LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS DISCLOSURE

49.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 749 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed to this Agreement as Schedule B is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Set forth as an Exhibit in Part II of the Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead-based paint. According to the "Description of Property and Improvements" in Part II of the Plan, the Building was constructed in 1925. Buildings constructed prior to 1979 may contain lead paint and buildings constructed before 1960 are presumed to contain lead paint. Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Building, other than those set forth in Part II of the Plan, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Building. In addition, there are numerous layers of paint on the walls of the original building. Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. Purchaser's obligation hereunder shall survive Closing.

49.2 In the event Purchaser exercises Purchaser's right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be

performed within 10 calendar days following the date of this Agreement on the following terms and conditions:

49.2.1 Purchaser and Purchaser's consultant ("Consultant") will be given reasonable access to the Unit and the public areas of the Building.

49.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.

49.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit or the Building.

49.2.4 Purchaser shall be liable for any damages to the Unit or the Building, injuries, and all claims and lawsuits caused by Purchaser or the Consultant during the Inspection.

49.2.5 Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's approval.

50. WEEKENDS AND BANK HOLIDAYS

With respect to any deadline specified in this Agreement or any fully executed riders (including without limitation time-is-of-the essence deadlines): should any such deadline fall on a weekend or bank holiday, the deadline shall be deemed extended to the next business day.

51. PURCHASE BY AN ENTITY [IF APPLICABLE]

51.1 Purchaser represents that as of the date hereof, the individual[s] that control Purchaser [is][are] _____ [and_____] ([each, a]"Purchasing Individual"). Purchaser acknowledges that at Closing, Purchaser shall deliver to Attorneys for Sponsor all required organizational documents, as determined by Sponsor in its sole discretion, in order to confirm that as of the date of Closing, Purchaser is still under the Control of [a] Purchasing Individual. Purchaser's failure to comply with the provisions of this subsection shall be deemed an event of default under this Agreement, entitling Sponsor to exercise the remedies set forth in Section 13 of this Agreement.

51.2 The term "Control" shall mean, with respect to any person or entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person or entity, through ownership of 100% voting securities or 100% of partnership or other ownership or membership interests, by contract or otherwise, or as a result of being the sole beneficiary of a trust.

[No further text this page; signatures follow]

[SIGNATURE PAGE TO PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

32 W 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not render title uninsurable without additional premium to Purchase and would not prevent the use of the Unit for dwelling purposes.

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

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

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

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the Closing of Title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such installments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all installments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of 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.

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for purposes compliant with the Operating Standard.

15. Any lease covering the Unit(s) made from Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any TCO or PCO for the Building, if any, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

SCHEDULE B

DISCLOSURE OF INFORMATION ON

LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

SPONSOR'S DISCLOSURE

(a) Presence of lead-based paint and/or lead-based paint hazards. (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain on attached sheet).

(ii) ___ Sponsor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to Sponsor (check (i) or (ii) below):

(i) ___ Sponsor has provided Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below on attached sheet).

(ii) ___ Sponsor has no records or reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet re: Protecting from Lead Paint.

(e) _____ Purchaser has (check (i) or (ii) below):

(i)___ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii)___ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

SELLING AGENT'S ACKNOWLEDGMENT (initial)

(f) X Selling Agent has informed Sponsor of Sponsor's obligation under 42 U.S.C. 4852d and is aware of Selling Agent's independent responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

32 W 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

SCHEDULE C

RIDER TO PURCHASE AGREEMENT RE: ESCROW PROVISIONS

This Rider is made as of _____, between Sponsor, Purchaser and Escrow Agent.

Re: Unit No: _____ ("Unit")
Office Condominiums at 32 West 39th Street
32 West 39th Street
New York, New York 10018 ("Condominium")

1. ESCROW AND TRUST FUND REQUIREMENTS

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

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

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

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

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

All instruments (a) in payment of a Deposit shall be wired directly to the escrow account maintained by Escrow Agent pursuant to the Plan (or, if Sponsor offers to accept payment in the form of an official bank check, made payable directly to the order of "Starr Associates LLP, as Escrow Agent")

and (b) in payment of the Balance of the Purchase Price shall be wired to one or more accounts as directed by Sponsor. In the event Sponsor offers to accept payment in the form of an official bank check: (i) checks must be drawn or issued by a bank or trust company which is a member of the New York Clearinghouse Association, with the understanding that checks drawn on out-of-state or foreign banks will not be accepted; (ii) in the event of any return of any check for insufficient funds or for any other reason, Purchaser shall be solely responsible for any and all penalties or other fees imposed by the escrow bank or any other bank in connection therewith; and (iii) a return of any check delivered in payment of the Deposit, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void ab initio and of no further force or effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Unit may be sold to another as though the Purchase Agreement had never been made. All instruments accepted by Sponsor are subject to collection. In the event that Sponsor offers, in its sole discretion, to accept electronic payments, such electronic payments must be sent via the Federal Reserve Wire Network and in no event shall ACH transfers be permitted.

All Deposits will be placed initially in the non-interest-bearing portion of the Escrow Account. Each Purchaser is required to deliver, in addition to any other documents required by the Escrow Bank or any governmental agency, a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Attorneys for Sponsor (or Escrow Agent) at the time Purchaser signs and delivers the Purchase Agreement and the Deposit. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, and any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will thereafter be promptly transferred to an individual interest-bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or FormW-8 or any other additional documentation required by the Escrow Bank or any governmental agency, the Deposit will remain or may be moved back into the non-interest-bearing portion of the Escrow Account. Each Purchaser will be required to comply with the requirements of the Escrow Bank and/or any governmental agency at any time, failing which the Deposit shall remain in (or may be moved back into) the non-interest-bearing portion of the Escrow Account. At such time as any Deposit is released, such Deposit will be transferred from the individual sub-escrow account to the non-interest-bearing portion of the Escrow Account so that checks may be drawn thereon. The Escrow Account is not an IOLA account.

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

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the delivery of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Escrow Account within 15 business days after delivery of the Deposit, Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within 90 days after delivery of the Deposit by notice delivered to Sponsor and to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. However, Escrow Agent will not be required to send the aforementioned letter to any Purchaser in connection with any subsequent Deposits delivered by Purchaser after the Deposit, including, without limitation, any Deposit or any funds in connection with any changes in the interest rate.

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and as set forth in the Escrow

Agreement Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

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

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

If a Purchaser delivers a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after delivery, if the Deposit has not been deposited into escrow, and (ii) within 10 business days, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser. If the Purchase Agreement is not fully executed and delivered to Purchaser within 30 days from the delivery to Sponsor of the partially-signed Agreement by Purchaser to Sponsor together with the Deposit, the partially-signed Purchase Agreement shall be deemed rejected and cancelled and all Deposits shall be returned to Purchaser within 30 days thereafter. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other under the Purchase Agreement or under the Plan.

The checking account portion of the Escrow Account will not be interest-bearing. The sub-escrow account portion of the Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of all Deposits. All interest will be credited to Sponsor only in the event there is a Consummation of the Plan (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. As of the Filing Date of the Plan, the interest rate for the Escrow Bank is approximately 0.20%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no representation of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days, if the Deposit is cash or cash equivalent, or (y) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Escrow Account into the sub-escrow account portion of the Escrow Account, as determined by whether and when the Deposit clears.

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

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

Escrow Agent shall release the Deposits if so directed:

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

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

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

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

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

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

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

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

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

Sponsor may, upon application approved by the Department of Law, elect to withdraw Deposits from the Escrow Account and secure all or any portion of the Deposits withdrawn by delivering to Escrow Agent or another escrow agent designated by Sponsor, one or more irrevocable letters of credit (collectively, "Letter of Credit") or other alternate security approved by the Department of Law, in accordance with the terms and conditions set forth below. All Deposits withdrawn from the Escrow Account shall be paid to the Construction Lender pursuant to a collateral assignment and pledge by Sponsor to the Construction Lender or disbursed to Sponsor subject to the approval by the Construction Lender of the amount of the withdrawal. The amount of the Letter of Credit will be at least 125% of the aggregate of all Deposits expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of all Deposits, if any, withdrawn by Sponsor for use in construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. All Deposits will cease to earn interest upon withdrawal from the Escrow Account.

PURCHASERS WILL EARN NO INTEREST ON DEPOSITS WHICH ARE DEPOSITED IN SPONSOR'S CONSTRUCTION FUND ACCOUNT, EXCEPT DURING SUCH PERIODS AS THE DEPOSITS ARE PLACED IN THE INTEREST-BEARING PORTION OF THE ESCROW ACCOUNT.

The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan. The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuer bank, at such times or upon such events as set forth below.

The Letter of Credit will continue in effect, or shall be periodically renewed, until the Closing of Title to all Units for which Deposits have been placed in Sponsor's construction fund account.

Escrow Agent shall be entitled to release the Deposits to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Rider and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose Deposits were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor and Sponsor's failure or refusal to restore such Deposits to Escrow Agent, without the consent or despite the objection of Sponsor or the issuer bank, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(b) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

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

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

(e) by a final, non-appealable order or judgment of a court;

(f) failure by Sponsor to obtain a renewal or replacement Letter of Credit no later than 60 days prior to the expiration of the existing Letter of Credit;

(g) direction by Sponsor upon request of Purchaser; or

(h) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer bank has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.

Upon payment to Escrow Agent of a drawing under the Letter of Credit, to the extent that Escrow Agent has no further obligation to hold the proceeds of such Letter of Credit in accordance with this Rider, Escrow Agent shall remit the Deposits to the relevant Purchaser to the extent required by this Rider and shall remit the excess amount (if any) of such proceeds over the Deposit to the Construction Lender (or, if no Construction Lender shall exist, to Sponsor).

The sole obligation of the issuer bank under or in connection with the Letter of Credit is to pay to Escrow Agent the amount drawn under the Letter of Credit pursuant to a conforming drawing thereunder. In no event shall the issuer bank, or the Construction Lender be liable for the use of the proceeds of any drawing by Escrow Agent and no Purchaser shall have any recourse whatsoever to the issuer bank, or the Construction Lender with respect to the use of such Deposits, other than the issuer bank's liability on the fronting bank for such Letters of Credit.

Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit.

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

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

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of any Deposits or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of such Deposits and continues to act as Escrow Agent. Starr Associates LLP's dual role as Escrow Agent and Sponsor's attorney in no way affects the legal and contractual obligations of Escrow Agent pursuant to the Escrow Agreement, the Purchase Agreement or applicable Law with respect to the maintenance or release of Deposits.

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

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

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

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

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

2. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

4. FORCE MAJEURE

Notwithstanding anything set forth in this Rider to the contrary, the provisions of this Rider are subject in their entirety to the Section of the Purchase Agreement entitled "Force Majeure," which shall apply with respect to any obligations or undertakings required by Sponsor pursuant to this Rider.

5. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

6. COUNTERPARTS

This Rider may be executed in any number of original, e-mail, pdf or facsimile counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Rider.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE TO ESCROW RIDER]

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

32 W 39TH STREET SOLE MEMBER LLC

By:_____
Name: Aron Rosenberg
Title: Authorized Signatory

ESCROW AGENT:

Executed solely in connection with the provisions set forth in this Escrow Rider.

STARR ASSOCIATES LLP

By: _____
Name:
Title:

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 32 W 39th Street Sole Member LLC, having an office at 28 West 36th Street, Suite 301, New York, New York 10018 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Office Unit No. ____ in the building ("Building") known as the Office Condominiums at 32 West 39th Street ("Condominium") and by the street number 32 West 39th Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [DECLARATION DATE], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"). The Unit is also designated as Tax Lot 66 in Block 840 of Section [PROPERTY SECTION] of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by Howard L. Zimmerman Architects, P.C. on [ARCHITECT CERT DATE], and filed with the Real Property Assessment Department of The City of New York on [FP FILING DATE], as Condominium Plan No. [CONDO PLAN #] and also filed in the Register's Office on [FP RECORDING DATE], as Condominium Map No. [FP MAP #];

TOGETHER with an undivided _____% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-laws of the Condominium ("By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-laws is invalid under, or would cause the Declaration or the By-laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-laws, or if the

Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-laws, the Unit is intended for non-residential use only.

Grantor represents that the Grantor is the same party as the Grantee of the Property under deed dated _____ and recorded in the Register's office on _____ as CRFN _____.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-laws of the Condominium.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

32 W 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

GRANTEE:

_____

_____

(ACKNOWLEDGEMENTS)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A
TO OFFICE UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET

and having a street address of

32 WEST 39TH STREET
NEW YORK, NEW YORK 10018

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **Office Condominiums at 32 West 39th Street**

Sponsor: **32 W 39th Street Sole Member LLC**
28 West 36th Street, Suite 301
New York, New York 10018

Date of Declaration:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
220 East 42 Street
New York, New York 10017
(212) 620-2680

The land affected by the within instrument lies in Block 840 F/K/A Lot 66, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

B – DESCRIPTION OF THE UNITS

C – DEFINITIONS

D – BY-LAWS OF THE CONDOMINIUM

E – UNIT POWER OF ATTORNEY

DECLARATION

OF

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

32 W 39th Street Sole Member LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 28 West 36th Street, Suite 301, New York, New York 10018 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

2.2 Excluded from the Property are any Excess Development Rights, if any, which shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as Office Condominiums at 32 West 39th Street.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 13 Office Units, 3 Retail Units and 1 Storage Unit contained in a 14 story structure above grade, a roof, roof bulkhead and 1 below-grade level as reflected on the Floor Plans of the Building certified by Howard L. Zimmerman Architects and Engineers P.C. for marketing purposes, the floor designations are floor 1, mezzanine, floors 3 through 12, 14 through 16. There is no floor 2 or 13 designation.

5.1.1 The Office Units are located on Floors 3 through 16.

5.1.2 The Retail Units are located on the cellar floor, Floors 1 and mezzanine.

5.2 The Building is classified as being of fire proof construction. The Building structural system consists of a conventional steel frame superstructure encased in concrete for fire proofing. The steel frame is comprised of girders, beams and columns. Exterior walls are comprised of fire rated materials and brick masonry. The roof consists of an asphalt felt multi-ply roofing membrane.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square foot area; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit is measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are not deducted from the measurement of each Unit) to the centerline of the demising partitions separating one Unit from another Unit; stairwell, corridors and elevator shaft walls, or to the centerline of mechanical shafts, or to the unit side face of the concrete shear walls of the elevators or stairs which adjoin the Unit. Each Unit is measured vertically from the top of the concrete floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling; provided that where a Unit consists of two or more contiguous floors, the Unit is measured from the top of the concrete floor of the lowest floor to the underside of the concrete ceiling of the highest floor. Any and all measurements are approximate within reasonable tolerances.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to the Unit (including, without limitation, all locks, peepholes, doorknobs and hardware), hallways exclusively serving such Unit (if any) the interior walls, partitions, floors and floor coverings and plastered ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, sprinkler systems, window panes, fireplace, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, heating, ventilating and air conditioning Units (including the fans inside the Units), heating equipment, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include 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 the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the

Unit Owner after the Unit Owners acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit, including any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within an Office Unit from the electrical panel (including electrical branch wiring but excluding electrical service riders) and serving or benefiting only that Unit.

6.4 Each Retail Unit also includes, in addition to the items listed in Section 6.3 above, to the extent located in such Retail Unit, and each Retail Unit Owner shall be responsible for, any elevator, escalator, staircase, freight or service entrance, driveway, ramp, canopy and all related Facilities servicing such Retail Unit exclusively including, outdoor signage for such Retail Unit, the exterior side of all entrances and service doors and the exterior side of all windows in or opening from such Retail Unit on loading docks exclusively servicing such Retail Unit.

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.6 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, subject to the provisions of the By-laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and (with respect to Units) to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

6.7 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Office Common Elements. The Common Elements do not include any Excess Development Rights, if any, which shall be initially retained by Sponsor.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto except for Excess Development Rights.

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element or the Retail Units from an Office Unit and/or Office Common Element and/or a Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line

of such General Common Element or a Retail Unit, as the case may be, to the extent that the same are not expressly included as part of the Office Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service both the Office Units and the Retail Units and/or both the General Common Elements, the Office Common Elements, to the extent that the same are not expressly included as a part of the Office Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof.

(iv) the pump room, electric room, meter room, super's office, storage room, oil tank room, boiler room each of which are located on the cellar level of the Building.

(v) the freight lobby on the first floor of the Building.

(vi) all egress stairs, passenger elevators, the freight elevator and their respective bulkheads, shafts, pits and equipment rooms

(vii) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Office Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Office Units or of the Office Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Office Common Elements include:

(i) lobby located on Floor 1 of the Building.

(ii) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating an Office Unit from another Office Unit or an Office Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating an Office Common Element from a General Common Element or a Retail Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Office Common Element.

(iii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve the Office Units and/or the Office Common Elements only.

(iv) all interior portions of the Building and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Office Units or the Office Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND OFFICE COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon 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 Real Property Law Section 339-i(l), subsection (iv).

8.2 The percentage interest of all Office Units in the Office Common Elements is apportioned in the same proportion that the Office Unit at the date of this Declaration bears to the then aggregate Common Interests of all of the Office Units in the Condominium.

ARTICLE 9

USE OF UNITS

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

Upon the prior written consent of Sponsor (1) (with respect to Unsold Units) or the Condominium Board (with respect to sold Units), any Unit may be used for any other lawful purposes, subject, however, to (2) the terms and conditions of the then existing Certificate of Occupancy for the Building, the Declaration and the By-laws, and (3) applicable Law.

9.2 Notwithstanding the foregoing or anything contained in the By-laws or the Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate Law, including the Certificate of Occupancy, if any, or any other governmental regulations, (2) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, (3) lease any Unsold Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-laws and the Rules and Regulations, if applicable, Sponsor, the Office Unit Owners, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Office Common Elements, and the Office Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Office Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

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

10.4 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for the purposes of advertising, including, without limitation, the right to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners and/or their respective Permitted Users. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner.

10.5 The Retail Unit Owners shall each have an easement in, over, under, through and upon the Office Common Elements (including, but not limited to, lobbies, hallways and corridors) without being subject to any fee or charge for all purposes and activities in connection with accessing their respective Units.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-laws and to the Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein and appurtenant thereto to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, and each of their Permitted Users, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Office Unit, any Retail Unit Owner with respect to a Retail Unit and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor, the Retail Unit Owner or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within a Unit or with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor and its Permitted Users shall have an exclusive right and easement for so long as Sponsor owns an Unsold Unit (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, any signage on the façade of the Building, or other similar installations, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) in, over, under, through and upon the General Common Elements and Office Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for the purposes of installing any such equipment, signage or other installation identified in subsection (i) above, including, without limitation, the right to erect, install, maintain, replace and/or repair any sign and/or lighting permitted by Law on any portion of the Property, for the purposes of advertising the sale or lease of any Unit, the operation of any business conducted in any Unit, or any type of third-party advertising whether for profit or otherwise. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owners, and/or their respective Permitted Users. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building, or any portion of the Common Elements, shall be the obligation of Sponsor and not of the Condominium, and any rights or benefits of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 Subject to the terms of the By-laws, each Retail Unit Owner shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace the Retail Unit and any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to the Retail Unit located in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.7 Sponsor and any Development Rights Owner shall have an easement for ingress and egress through all of the Common Elements for any purpose in connection with Sponsor's or Development Rights Owner's utilization, sale or transfer of any Excess Development Rights, including without limitation (i) effecting a zoning lot merger or division; or (ii) creating a Combined Zoning Lot or any enlargement or subdivision thereof; or (iii) effecting a sale or transfer of Excess Development Rights in any manner permitted by Law

11.8 The Condominium and Building shall be designated and known as the Office Condominiums at 32 West 39th Street. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the

Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.9 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.10 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

11.11 Sponsor and its Permitted Users (regardless of whether Sponsor owns an Unsold Unit) shall have an easement in, over, under, through, and upon the General Common Elements and Office Common Elements to the extent necessary (as determined by Sponsor in its sole discretion) in order for Sponsor to meet its obligations under the Plan, including without limitation all things related to Sponsor's obligation to procure a PCO for the Building, if applicable.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD OFFICE UNITS AND RETAIL UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) amend the Certificate of Occupancy for the Building as it relates to the Unsold Units;

(d) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Office Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Office Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage Common Interest of such Unit; and

(e) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interests and Office Common Interests;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest and Office Common Interest (other than Unsold Units), as the case may be, or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law;

(iii) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Office Common Interests of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest or Office Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Office Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned or delayed, any other Unit Owner may be given with respect to such Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

12.2 Except to the extent prohibited by Law, and except as otherwise provided in Section 5.2 of the By-laws, each Unit Owner shall have the right, without the consent or approval of the Condominium Board, the Unit Owners, Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unit (including, without limitation, to the storefronts and windows in such Unit);

(b) change the use or layout of, or number of rooms in the Unit;

(c) amend the Certificate of Occupancy for the Building as it relates to the Unit;

(d) change the size of the Unit by (w) subdividing the Unit into 2 or more separate Units, (x) combining 2 or more separate Units resulting from such subdivision into 1 or more Units, (y) altering the boundary walls of 2 or more separate Units resulting from such subdivision or combination, or (z) otherwise; and

(e) if appropriate, reapportion among the Units affected by such change in size or number pursuant to the preceding clauses their respective Common Interests.

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Unit:

(i) any alterations, additions, improvements, or repairs, ordinary or extraordinary, that alter, change, or otherwise impact (i) the exterior of the Unit (including, without limitation, storefronts and windows in such Unit, if any, and the Building façade), (ii) the mechanical systems or structural integrity of any part of the Building, (iii) any portion of the Common Elements, or (iv) any change in use requiring a change to the Certificate of Occupancy, if any, require the prior consent of the Condominium Board, not to be unreasonably withheld, conditioned, or delayed;

(ii) no physical modification shall be made to any other Unit, and the Common Interest and Office Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(iii) the Unit Owner shall comply with Law;

(iv) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(v) such alteration, addition, improvement, repair or change shall not jeopardize the mechanical systems or soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event of the subdivision of a Unit into separate Units, the owner of each such newly created Units shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Unit Owner, as provided in this Declaration, the By-laws and the Rules and Regulations; provided, however, that the owners of such newly created Units shall collectively continue to be entitled to designate___ Member(s) to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Office Common Interests of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8. The certification referred to in the preceding sentence shall be delivered, at the subject Unit Owner's election, by the subject Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior unanimous written consent of the Unit Owners.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders its Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents; and

(b) effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

14.2 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

14.3 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney, substantially in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is

authorized by a vote of the Retail Unit Owners and 80% in number and in Office Common Interest of all Office Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of any Sponsor Lender, and the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or other Person that is subject to the terms of this Declaration fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to this Declaration at the request of Sponsor or any Retail Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, the Retail Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in this Declaration which requires the consent or approval of the Condominium Board.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-laws is invalid under, or would cause this Declaration and the By-laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-laws, then such provision shall be deemed included as part of this Declaration or the By-laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

EXCESS DEVELOPMENTRIGHTS

18.1 Any Excess Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner. Neither the Condominium Board

nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

18.2 In connection with its utilization of Excess Development Rights, Sponsor or Development Rights Owner, among other rights, may cause the Property to be combined with one or more parcels or divided into two or more parcels which collectively are referred to as the "Combined Zoning Lot."

18.3 Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have consented to and agreed that, if Sponsor or a Development Rights Owner seeks to enlarge the Combined Zoning Lot by adding other parcels of real property ("Additional Parcels") so as to create an enlarged Combined Zoning Lot, or seeks to utilize or transfer Excess Development Rights for the purposes and in accordance with the provisions of the Zoning Resolution or other applicable Law, the Condominium Board and the Unit Owner have (i) waived the right to execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air or other document or instrument and the right to appear in opposition before any community board or governmental or quasi-governmental authority to oppose in any manner the utilization, sale or transfer of Excess Development Rights or the establishment of the Combined Zoning Lot or any enlargement, division or proposed use thereof; and (ii) consented as a party in interest, to any declaration or other agreement utilizing the Excess Development Rights in any manner, including by effecting a transfer of Excess Development Rights or a merger or division of any of the parcels comprising the Combined Zoning Lot with any other tax lots in order to form a single zoning lot for the purpose of transferring all or any portion of the Excess Development Rights from Sponsor or a Development Rights Owner.

18.4 Notwithstanding the provisions of the immediately preceding paragraph, each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Condominium Board, shall be deemed to have granted to Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner. Alternatively, upon demand of Sponsor or a Development Rights Owner, each Unit Owner and the Condominium Board shall execute any declaration of zoning lot restrictions, zoning lot development agreement, easement for light and air, or other document or instrument requested by Sponsor or Development Rights Owner in order that (i) Sponsor or Development Rights Owner may effectively utilize, sell or otherwise transfer Excess Development Rights to any Person designated by Sponsor or Development Rights Owner, and (ii) such Person may effectively utilize such Excess Development Rights.

18.5 Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

18.6 All rights and obligations of Sponsor set forth in this Declaration with respect to the Excess Development Rights shall apply equally to any Development Rights Owner.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 All the provisions of this subsection 19.1 are subject to the provisions contained in this Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, any Retail Unit Owner, or any Permitted Mortgagee. Any provision of this Declaration and/or the Tax Lot Drawings affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit

Owners and (ii) Office Common Elements or all Office Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Office Common Interest of all Office Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting in accordance with the provisions of the By-Laws. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

19.2 (1) Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to this Declaration (including without limitation to Exhibit B hereto), the Floor Plans, and any other such documents, plans and maps as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of provisions (i) or (ii) of this section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this section) or the holder of such mortgage (in the event described in (3) of this section) shall consent thereto by joining in the execution of such amendment.

(2) Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Rules and Regulations as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same, with respect to Excess Development Rights, to effectuate Sponsor's or any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property.

19.3 Each Retail Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record in the Register's Office or elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to this Declaration (including without limitation to Exhibit B hereto), together with such documents, plans and maps as such Retail Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Retail Unit and/or the reapportionment of the Common Interest of the affected Retail Unit resulting therefrom made by the Retail Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Retail Unit Owner to make a loan secured by a mortgage on the Retail Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Retail Unit Owner to insure title to any Retail Unit, as such requirements relate solely to the Retail Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to reflect any changes that solely affect the Retail Unit and do not materially and adversely affect the Office Units and/or the Office Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Office Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in provision (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in provision (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

19.4 Any amendment to this Declaration and/or Floor Plans (as applicable) may be executed; (i) if on behalf of Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 19.2 hereof, by Sponsor or the Development Rights Owner, (ii) if on behalf of a Retail Unit Owner pursuant to the terms of section 19.3 hereof, by the Retail Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.5 Notwithstanding anything contained in the Condominium Documents to the contrary, if any Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Units owned by such Unit Owner by either (w) subdividing a Unit(s) into two or more separate Units, (x) combining a Unit into one or more Units, (y) altering the boundary walls between any adjacent Units owned by such Unit Owner, or (z) otherwise, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the owner of such Unit) which exclusively benefit a Unit into such Unit, then the Condominium Board on behalf of such Unit Owner and at the Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration, the Tax Lot Drawings, and other documents which are necessary or appropriate to reflect the changes made by the Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Office Common

Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

19.6 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Sponsor or any Retail Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by Sponsor, any Retail Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor, any Retail Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, unless such amendment is consented to in writing by Sponsor, all Retail Unit Owners, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, (iii) adversely affect the use of any Retail Unit and/or the rights of any Retail Unit Owner, or (iv) impose any charge or fee against Sponsor, any Retail Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, unless Sponsor, the Retail Unit Owners, or the Development Rights Owner shall consent to such amendment in writing.

19.7 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or the affected Retail Unit Owner if the same relate to Sponsor or any Retail Unit Owner.

19.8 No amendment to the Condominium Documents which would materially and adversely affect the holder of any Permitted Mortgage shall be effective without the prior written consent of 51% of the Permitted Mortgagees or a majority of the Mortgage Representatives, if any. If the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed.

19.9 Notwithstanding the provisions of section 19.1 hereof, the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of the By-Laws.

19.10 Subject to the rights of Sponsor set forth herein, the foregoing section 19.1 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-laws, such consent, approval, satisfaction, or permission shall not be required when (i) Sponsor no longer owns any Units; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan and (iii) a PCO has been issued for the Property.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York shall serve the Condominium c/o The Board of Managers of the Office Condominiums at 32 West 39th Street located at 32 West 39th Street, New York, New York 10018.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; (vi) the Tax Lot Drawings; and (vii) the Offering Plan are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

25.1 The rights and/or obligations of Sponsor and each Retail Unit Owner as set forth in this Declaration and the By-laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor and each Retail Unit Owner. Sponsor and each Retail Unit Owner shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

25.2 All rights of Sponsor as set forth in this Declaration and the By-Laws shall inure to the benefit of the principal of Sponsor.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 28

GENERAL

Except as required by Law, neither Sponsor nor its principal shall be subject to any of the restrictions, limitations, policies, impositions of fees, and/or prohibitions with regard to the Common Elements or the Units set forth in this Declaration or the By-Laws annexed hereto, as same may be amended from time to time.

[No further text this page; signatures follow]

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

32 W 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

(ACKNOWLEDGEMENT)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

[See the Schedule A – Description of the Land in the Specimen Title Report set forth in Part II of the Plan.]

CONDOMINIUM NO. _____

EXHIBIT B TO THE DECLARATION
DESCRIPTION OF THE UNITS

Office Condominiums at 32 West 39th Street
32 West 39th Street
New York, New York 10018

Tax Block: 840

Tax Lots: _____ to _____

UNIT	NUMBER OF ROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT. UNIT	BLOCK 840 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS

EXHIBIT C

DEFINITIONS

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

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

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

"Building" shall mean the building located at 32 West 39th Street, New York, New York 10018.

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

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

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

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

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

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

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

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the

Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean the Office Condominiums at 32 West 39th Street which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 32 W 39th Street Sole Member LLC and its successors and assigns.

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

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

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

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

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

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

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

racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

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

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

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

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

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

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

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

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

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

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

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

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

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

"Land" shall mean the land located in the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 840, Lot 66 and more particularly described in Exhibit A to the Declaration.

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

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

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

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

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

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

"Office Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Office Unit Owner in the Office Common Elements. The total of all Office Common Interest percentages appurtenant to all Office Units equals 100%.

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

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

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

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

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

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

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

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

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

"Plan" shall mean that certain Commercial Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Sponsor" shall mean 32 W 39th Street Sole Member LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

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

"Title Company" shall mean Landstar Title Agency Inc., having an office at 355 Lexington Avenue, 10th Floor, New York, New York 10017. (212) 991-6513, (212) 991-6514, or any successor Title Company at the time in question.

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

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

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

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

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

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

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

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BY-LAWS

OF

OFFICE CONDOMINIUMS AT 32 WEST 39TH STREET

Prepared by:

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BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose.* The purpose of these By-laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions*. All capitalized terms used in these By-laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-laws*. These By-laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General*. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-laws.

Section 2.2 *Status of the Condominium Board*. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board*. The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Office Common Expenses or Retail Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Office Common Elements be utilized to defray any General Common Expenses or Retail Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Office Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Office Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Retail Unit Owners will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Office Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners or Office Common Interests of all Office Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members

of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Unit.

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-laws(any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-laws.

(xx) to organize corporations and other legal entities to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate, and (c) any and all declarations, consents, waivers or other instruments requested by Sponsor or a Development Rights Owner, with respect to Sponsor's or a Development Rights Owner's utilization, sale or transfer of Excess Development Rights.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized tenant of a Unit Owner if such authorized tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-laws. All costs in connection with the removal of the authorized tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

(xxv) to establish policies and procedures and impose fees in connection with the sale, lease or alteration of a Office Unit.

(xxvi) to establish policies and procedures with respect to the services and facilities of the Condominium and the Common Elements, including, without limitation, the right to impose usage fees and restrictions on hours of access and/or use.

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

(xxviii) to adjust the First Year's Budget to reduce the Common Charges if some or all of the services or facilities are not available at the First Closing.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-laws, so long as Sponsor shall continue to own at least 25% in number of all Office Units (but in no event later the fifth anniversary of the First Closing), the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First

Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of first refusal to lease or purchase a Unit.

However, Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget and Sponsor's written consent shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer or (iv) to ensure the health and safety of the occupants of the Building.

(B) Notwithstanding anything to the contrary contained in these By-laws, all determinations of the Condominium Board which affect only the:

(i) Office Units and do not materially and adversely affect the use and operation of the Retail Units shall be made by the Member(s) of the Condominium Board elected or designated by the Office Unit Owners; and

(ii) Retail Units and do not materially and adversely affect the use and operation of the other Units shall be made by the Member(s) of the Condominium Board designated by the Retail Unit Owners in accordance with these By-Laws.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties*.

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members*. Until the First Annual Meeting held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of whom are to be designated from time to time by Sponsor. From and after the First Annual Meeting and for so long as Sponsor continues to own at least 1 Unsold Office Unit, the Condominium Board shall consist of 4 individuals, 3 of whom shall be elected and/or designated in accordance with the terms of these By-laws by the Office Unit Owners (including Sponsor) (collectively, the "Office Members"), and 1 of whom shall be collectively designated by the Retail Unit Owners ("Retail Member"). No individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members*. The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the First Annual Meeting shall expire when the 4 individuals to be elected and/or designated at such meeting are so elected and/or designated, as the case may be. The term of office of each of the 7 individuals elected and/or designated, as the case may be, at the First Annual Meeting pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and/or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members*.

(A) Any Office Member of the Condominium Board who was elected thereto either by the Office Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Office Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. A Member of the Condominium Board who was collectively designated by the Retail Unit Owners may be removed, with or without cause, only by such Retail Unit Owners. If any Member of the Condominium Board who was collectively designated by a Retail Unit Owners, is removed, the successor shall also be collectively designated by such Retail Unit Owners. Any Office Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Office Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies*.

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of an Office Member who was elected thereto by the Office Unit Owners shall be filled by an individual who is qualified to be an Office Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Office Members of the Condominium then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Office Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a Member who was collectively designated by the Retail Unit Owners shall be filled by an individual collectively designated by such Retail Unit Owners.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board*. The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board*. Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board*. The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings*. Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board*. A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the Members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of both the Office Units and the Retail Units.

(B) Attendance of a majority of the Office Members of the Condominium Board will be required for any business relating solely to the Office Common Expenses, the Office Common Elements, or, all or a portion of the Office Units.

(C) Attendance of the Retail Member of the Condominium Board will be required for any business relating solely to the Retail Common Expenses or all or a portion of the Retail Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings*. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board*. Except as otherwise provided in the Declaration or these By-laws:

(A) The vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements; the General Common Expenses, or, all or a portion of both the Office Units and the Retail Units.

(B) The vote of a majority of those Office Members attending a duly constituted meeting of the Office Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Office Common Expenses; the Office Common Elements; or, all or a portion of the Office Units.

(C) The affirmative vote of the Retail Member shall decide all matters on behalf of the Condominium Board relating solely to the Retail Common Expenses or all or a portion of the Retail Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members*. No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1To the extent permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that

may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General*. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President*. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President*. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary*. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer*. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers*. Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers*. Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies*. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers*. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers*. Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners*. The First Annual Meeting shall be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan of Office Units representing at least 50% in number of all Office Units offered for sale. At such meeting, a 4 Member Condominium Board shall be elected and/or designated, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of First Annual Meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect and/or designate successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners*. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings*. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings*.

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to

the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of Office Unit Owners*. Except as otherwise provided in these By-laws, the presence, in person or by proxy, of Office Unit Owners owning Office Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Office Unit Owners. If, at any meeting of the Office Unit Owners, there shall be less than a quorum present, a majority of the Office Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(E) Reports of Members of the Condominium Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Condominium Board (when so required);

(I) Unfinished business; and

(J) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting*.

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Unit) shall be entitled to cast 1 vote at all meetings of the Unit

Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s). Notwithstanding the foregoing, the Storage Unit Owner shall have no voting rights with respect to the Storage Unit.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Office Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Office Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Office Unit(s) per Office Member to be elected. However, nothing contained herein shall be deemed either to permit any Office Unit Owner to cumulate the votes attributable to the ownership of an Office Unit in favor of any 1 or more Office Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Office Members of the Condominium Board.

(B) All elections of Office Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Office Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Office Unit(s) owned by the voting Office Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Office Members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Office Members of the Condominium Board shall be determined by plurality vote of Office Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Office Units as it sees fit. However, at elections of Office Members to the Condominium Board held during the Sponsor Control Period, Sponsor shall have the right to designate 2 of the 3 Office Members to the Condominium Board, and Sponsor, and all other Office Unit Owners shall have the right to vote for the remaining Office Members of the Condominium Board.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least 1 Unsold Office Unit, Sponsor shall have the right to designate 1 Office Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Office Units for the remaining Office Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Office Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Sponsor Control Period, 1 of the 2 Office Members of the Condominium Board who were designated by Sponsor shall resign and their replacements shall be filled by a vote of the Office Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Office Unit) at a special meeting called for such purpose.

Section 4.10 *Designation of Retail Member to the Condominium Board*. The Retail Unit Owners (including Sponsor for so long as Sponsor shall own a Retail Unit) shall be entitled to collectively designate 1 Retail Member to the Condominium Board.

Section 4.11 *Action Without a Meeting*. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Units*. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) may require the delivery to the Condominium Board or its managing agent at Closing, at the discretion of the Condominium Board (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current Common Charges for such Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-laws.

Section 4.13 *Contractual Liability of Unit Owners*. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common

Elements, (ii) such proportionate share of the total liability thereunder as the Office Common Interest of such Unit Owner in a case relating to the Office Common Elements, and (iii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs*.

(A) Except as otherwise provided in the Declaration or in these By-laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Unit (including HVAC filters and parts), window panes, fireplace and flue all entrance doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense (except for any skylights located in an Office Unit, which shall be performed by the Condominium Board at the sole cost and expense of such Office Unit Owner); and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense; and

(iii) in or to the Office Common Elements (with the exception of any Office Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Office Unit Owners as an Office Common Expense.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as an Office Common Expense attributable to all Office Unit Owners if relating to the Office Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-laws. Similarly, each Unit Owner

shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements, except that the cost of such maintenance and repair shall be borne by the Retail Unit Owners if the Retail Unit Owners are utilizing such sidewalks in connection with the operation of the Retail Units. The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted. The interior and exterior glass of all windows in the Retail Unit are to be washed and cleaned by the Retail Unit Owner at the Retail Unit Owner's sole cost and expense. The interior glass surfaces of all windows in the Office Units are to be washed and cleaned by the Office Unit Owners at their sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows in the Office Units will be performed by a professional window washing company engaged by the Condominium Board, the cost and expense of which shall be borne by all Office Unit Owners as an Office Common Expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. The Condominium Board reserves the right to make all decisions with respect to the type of replacement window installed. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Unit Owner's Unit. To promote a consistent appearance of the Building from the outside, no Unit Owner shall be permitted to enclose a Unit in such a way that will alter the conformity of the Building, without the prior approval of the Condominium Board.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units*.

(A) The provisions of this subsection (A) are subject in their entirety to the provisions of subsection (B) of this section 5.2 set forth below. No Office Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Office Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including, without limitation, the indemnity referred to in subsection (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve the Office Unit Owner's contractors and materialpersons. In connection with such alterations, additions, improvements and/or repairs, each Office Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Office Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Condominium Board or Sponsor in connection with an Office Unit Owner's alterations, additions, improvements or repairs to such Office Unit. The Condominium may impose charges upon the Office Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Office Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Except to the extent prohibited by Law, Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(i) to make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Units, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in each Unsold Unit;

(ii) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Unsold Units;

(iii) without amendment to the Plan, to (i) subdivide and/or combine any Unsold Unit and/or (ii) change any Unsold Units in size by relocating a boundary wall between Unsold Units and/or or (iii) otherwise change the size and/or number of Unsold Units, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unsold Unit without changing the percentage of Common Interest of such Unit. In the event of a subdivision, combination, and/or change in size of any Unsold Unit, Sponsor shall additionally have the right to reapportion among the affected Unsold Units their respective Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(a) no physical modifications shall be made to any other Unit and the Common Interest and Office Common Interest (other than Unsold Units), as the case may be, or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto.

(b) Sponsor shall comply with Law and the terms of the Declaration and these By-Laws.

(c) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

(d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interest of all the Units and the Office Common Interest of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest or Office Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Office Common Interest of the affected Unit has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld, conditioned, or delayed, any other Unit Owner may be given with respect to such Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered by the Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

(C) Except to the extent prohibited by Law, each Retail Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(i) to make alterations, additions, improvements, or repairs in or to the interior portions of the Retail Unit, whether structural or non-structural, ordinary or extraordinary, including, without limitation, any alterations with respect to the type, number, or layout of rooms in each Retail Unit;

(ii) to amend the Certificate of Occupancy of the Building with respect to the use or number of the Retail Unit;

(iii) without amendment to the Plan, to (i) subdivide and/or combine any Retail Units and/or (ii) change any Retail Units in size by relocating a boundary wall between Retail Units. In the event of a subdivision, combination, and/or change in size of any Retail Units, each Retail Unit Owner shall additionally have the right to reapportion among the affected Retail Units their respective Common Interest;

(iv) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Retail Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to such Retail Unit;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Retail Unit:

(a) no physical modification shall be made to any other Unit, and the Common Interest and Office Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(b) the Retail Unit Owner shall comply with Law and the terms of the Declaration and these By-Laws;

(c) the Retail Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(d) such alteration, addition, improvement, repair or change shall not jeopardize the soundness, mechanical systems or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Any additional condominium units created as a result of a subdivision of any Retail Unit will retain the same rights, privileges, and benefits afforded the original Retail Unit Owner and will be subject to the same obligations imposed on the original Retail Unit Owner, as set forth in the Declaration and these By-Laws. Notwithstanding the foregoing, in the event of a subdivision of any Retail Unit, the resulting Retail Unit Owners shall have the right to collectively designate only 1 Retail Member to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Office Common Interest of all Office Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Retail Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 of the Declaration. The certification referred to in the preceding sentence shall be delivered, at the Retail Unit Owner's election, by the Retail Unit Owner, Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this section 5.2(C) may not be added to, amended, modified, or deleted without the prior written consent of the Retail Unit Owner.

(D) Notwithstanding the foregoing, all Unit Owners (including without limitation Sponsor and the Retail Unit Owners), prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law. All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. The Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Office Unit or its appurtenant Limited Common Elements (but other than that of the nature described in subsection (B) of this section 5.2), the same was approved by the Condominium Board pursuant to the terms of subsection (A) of this section 5.2.

(E) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements, if any) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in subsection (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements, if any, shall agree (in a writing executed and delivered

to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(F) In addition to the requirements set forth above in this section 5.2, until a PCO is obtained for the Building, if applicable, no Office Unit Owner shall make any alterations in or to the Office Unit or its appurtenant Common Elements without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;

(ii) the Office Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Office Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Office Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Office Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work to be halted, including, without limitation, to

cause the Managing Agent to deny access to the Building to the Office Unit Owner's workers and suppliers, until the Office Unit Owner complies with the same. During the period until the Office Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to (a) perform any and all work in and to the Office Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Office Unit Owner, (b) close out or otherwise assume complete control over any open applications and/or permits associated with the work, including without limitation to substitute the person who opened the application or permit with an architect chosen by Sponsor, and/or (c) otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO). Any costs or expenses incurred by Sponsor associated with the foregoing provisions (a), (b), and/or (c) shall be borne by such Office Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements*. Except as otherwise provided in the Declaration or in these By-laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements or an Office Common Expense attributable to all Office Unit Owners, if relating to the Office Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements and/or the Limited Common Elements, if any, or the Office Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements and/or the Limited Common Elements, or the Office Unit Owners, if relating to the Office Common Elements (including Sponsor if Sponsor then owns any Unsold Office Unit) owning 66 2/3% of the aggregate Common Interests or Office Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Office Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in both number and aggregate Common Interests of all Office Units.

Section 5.4 *Insurance*.

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost, coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent commercially reasonable:

(i) comprehensive commercial general liability insurance written by companies with an A.M. Best Company rating of at least A-VII, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or its Limited Common Elements, if any), with such coverage to be primary and not on an excess of contributory basis with any other policy which may be available to the Condominium Board or Managing Agent;

(ii) worker's compensation and New York State disability benefits insurance;

(iii) cyber insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity bonds;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance in the minimum amount of $10,000,000; and

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

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by an insurance carrier authorized to do business in New York, a qualified insurance broker, or another qualified source; and

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain aggregate limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate and commercial umbrella insurance in the minimum amount of $10,000,000.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-laws, shall be borne by the Unit Owners as a General Common Expense.

(E) For so long as Sponsor owns at least 1 Unsold Unit, unless Sponsor's prior written consent is obtained, the Condominium Board must maintain, at a minimum, the types and coverage amounts of insurance set forth in the First Year's Budget.

(F) The Condominium Board is not required to obtain or maintain any insurance with respect to the Units, any Limited Common Elements appurtenant thereto, and any Unit Owner property. Each Unit Owner shall, at such Unit Owner's sole cost and expense, obtain and maintain in full force and effect such insurance, the types and amounts of which shall be determined by the Condominium Board in its sole discretion, insuring the Unit, any Limited Common Elements appurtenant thereto, and any Unit Owner property as well as liability insurance with respect to occurrences in or about the Unit or any Limited Common Elements appurtenant thereto. All such policies shall contain waivers of subrogation, if commercially reasonable and provide that the liability of the carriers issuing the insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds. For so long as Sponsor owns at least 1 Unsold Unit, any change or elimination of such requirement may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the purchaser at the closing of title of each Unit and thereafter, whenever requested by the Condominium Board or Managing Agent.

Section 5.5 *Casualty or Condemnation*.

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Office Common

Elements and/or Limited Common Elements, if any, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Office Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Office Common Elements, and the Office Units, and the appurtenant Limited Common Elements, if any, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures (if any) installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit or of such Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Office Unit Owners for Work to the Office Common Elements and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to

Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Office Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Office Units or the Office Common Elements, and to the Retail Unit Owners, to the extent allocated to destroyed or damaged portions of the Retail Units, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the Unit Owner of any Unit so affected thereby shall proportionately abate until such Unit shall not be abated.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Office Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Office Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Office Common Interest, where applicable, of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests and Office Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after

the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its Unit Owners, employees or guests or interferes with the peaceful possession or proper use of the Property by its Unit Owners, employees or guests. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of a Retail Unit, and not as a result of the typical uses for which a Retail Unit (as the case may be) may be used or for which commercial spaces in similar Buildings are normally used, the subject Retail Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, other than the Storage Unit, the Units may be used for any lawful, non-hazardous purposes consistent with the Operating Standard. With respect to the Office Units, such use may include office purposes and light manufacturing, and shall be used in accordance with the Operating Standard and the then-existing PCO. With respect to the Retail Units, such use may include, without limitation, professional office units, retail stores, banks, restaurants, theaters, bars, spas, health clubs, and commercial space. With respect to the Storage Unit, such use is limited to the storage of the property, equipment and effects of the Storage Unit Owner.

Notwithstanding the foregoing, no Units may be used for (i) any use generating odors permeating outside the Unit (which shall not be construed to mean any limitation on the use of a Retail Unit as a legally-compliant restaurant), (ii) heavy manufacturing, (iii) any residential, sleeping or hotel purpose, including any "dormitory," "bed and breakfast" or other transient hotel-type use, (iv) any pornographic or immoral purpose or as a massage parlor, strip club, head shop, adult book store, peep show or adult entertainment facility or any other lurid uses; (v) a billiard parlor or gambling establishment. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold or conveyed.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Unit for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use is permitted by and is otherwise in accordance with Law and does not violate the Certificate of Occupancy, if any, covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior approval of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Unit for any other purpose, provided that the nature and manner of such use is in accordance with Law and the user thereof complies with all applicable governmental regulations;

(ii) use any one or more Unsold Units as model Units and offices for the sales promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law; and

(iii) lease any Unsold Office Unit to third parties.

Section 5.8 *Use of the Common Elements*.

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Office Units, which Office Units are the only Office Units serviced or benefited by any Office Common Element adjacent or appurtenant to such Office Units (for example, that portion at the end of any hallway that is directly adjacent to any such Office Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld, conditioned or delayed), have the right to use such Office Common Elements exclusively, as if it were a part of such Office Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such Office Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Office Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

(D) Sponsor, for so long as Sponsor continues to own any Unsold Unit, and the Condominium Board shall have the right to lease, sublease, license, sell or otherwise convey to a Unit Owner any portion of the Common Elements which either Sponsor or the Condominium Board determines is no longer needed for the furnishing of the services and facilities (including reasonable access) for which such Common Elements are reasonably intended. Any revenue received for the sale, leasing, subleasing, licensing or other conveyance of such Common Elements shall be retained solely by Sponsor or the Condominium Board, as applicable.

Section 5.9 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Limited Common Elements, if any, for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit or its appurtenant Limited Common Elements, if any, and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Unit Owners or other occupants of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Common Elements, if any, for their permitted purposes.

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

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would materially and adversely affect Sponsor and/or a Retail Unit Owner, without the prior written consent of Sponsor or the affected Retail Unit Owner. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would adversely affect a Retail Unit and the use thereof, without the prior written consent of the affected Retail Unit Owner.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Retail Unit Owners as a Retail Common Expense for such portion attributable to the Retail Units, and (c) the Office Unit Owners as an Office Common Expense for such portion attributable to the Office Units, the Office Common Elements and/or the Limited Common Elements, if any. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in

accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) the Retail Unit Owners as a Retail Common Expense for such portion attributable to the Retail Units, and (c) the Office Unit Owners as an Office Common Expense for such portion attributable to the Office Units, the Office Common Elements and/or the Limited Common Elements, if any. In addition, the cost of submetering shall be an Office Common Expense if pertaining to Office Units, only, and a General Common Expense if pertaining to all Units. The Unit Owner of each Unit that is submetered will be required to pay to the Condominium Board the cost of water and sewer attributable to such submetered Unit as reflected on the submeter.

Section 5.15 *Electricity.*

(A) Electricity for each Unit shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Limited Common Elements to which such Unit has exclusive access, if any.

(C) If submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.5 of these By-laws.

(D) Electricity for the Office Common Elements shall be supplied through one or more separate meters therefore and the cost thereof will be paid by the Condominium Board and will be borne by the Office Unit Owners as Office Common Charges. In addition, the cost of submetering shall be an Office Common Expense if pertaining to Office Units only and a General Common Expense if pertaining to all Units.

(E) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgagees having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the

Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Sponsor Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements and the Limited Common Elements, if any, shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Office Common Elements shall be levied against all Office Unit Owners in proportion to their Office Common Interests. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first

installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Office Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Office Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Office Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements or the Office Common Expenses attributable to the Office Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Office Common Expense attributable to the Office Common Elements depending on whether the excess relates to the General Common Elements or the Office Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Office Common Interests, as appropriate, and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) Certain items of Common Expenses have been allocated amongst the Office Units (in the aggregate) and the Retail Units, on the basis of usage rather than Common Interest. The First Year's Budget sets forth the percentage for each line item, if any, to be paid for by the Office Units and the Retail Units, which percentages are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the unanimous consent of the affected Unit Owners. Any new line items which may be added to the budget by the Condominium Board in the future shall be paid for on the same basis.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Control Period, the Condominium Board, in its sole discretion, shall have the right to waive Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Condominium Board shall remain obligated to update the budget in accordance with Law. If the Condominium Board elects to waive Unit Owners' obligation to pay Common Charges, Unit

Owners will remain responsible during such Waiver Period for individual Unit expenses, including without limitation real estate taxes and utility charges (if applicable).

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of an Office Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Office Unit Owner shall be deemed an Office Common Expense, collectible from all those who are Office Unit Owners at the time the same is levied. In the case of the Retail Units, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Retail Unit Owners shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(D) Subject to the terms and conditions contained in these By-laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Office Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Office Common Interests then appertaining to the Unsold Office Units constitute 15% or less of the total Office Common Interests then appertaining to all Office Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 10 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including attorneys' fees costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to attorneys' fees, costs and disbursements, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including reasonable attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.*

(A) Subject to the terms of Section 7.8 hereof, each Unit Owner may (i) sell its Unit, or (ii) lease its Unit, provided however, no Unit Owner may sell or lease its Unit except in compliance with the applicable provisions of this Article 7 and the policies and procedures established by the Condominium Board from time to time. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, attorneys' fees and disbursements and court costs.

(B) Each Unit Owner may sell or lease its Unit provided that such Unit Owner gives the Condominium Board, within 30 days of the consummation of the transaction embodied in such purchase agreement or lease agreement, copies of the deed of the Unit or the lease, as the case may be

Section 7.2 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to its Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be

sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.2, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.3 *Payment of Common Charges and Fees.* No Unit Owner shall be permitted to convey or lease its Unit unless the Unit Owner shall have (i) paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit and (ii) paid in full all fees charged by the Condominium Board and/or the Managing Agent in connection with the sale or rental of Units, including, without limitation, any working capital fund contribution imposed by the Condominium Board. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale of a Unit, a sale may take place notwithstanding the foregoing.

Section 7.4 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.5 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.6 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the defaulting Unit Owner as an Additional Common Charge.

Section 7.7 *Estoppel Certificate.*

(A) Upon the written request of a Unit Owner, the Condominium Board shall deliver to such Unit Owner or any designee, a statement ("Estoppel Certificate") indicating that such Unit Owner is current in its payment of all amounts due under the Declaration and the By-Laws, that no written notice of default has been sent to such requesting party and to the knowledge of the Condominium Board, no such default exists, or any exceptions to the foregoing. Any such statement may be relied upon by any mortgagee or purchaser of the Unit. In addition, upon the written request of a Retail Unit Owner accompanied by such documentation as is reasonably sufficient to allow the Condominium Board to proceed as hereinafter described, the Condominium Board will enter into a non-disturbance and attornment agreement ("Non-Disturbance Agreement") in a form reasonably satisfactory to such requesting Unit Owner with any tenant ("Tenant") of the Unit Owner which provides that: (i) the Tenant shall be entitled to continued undisturbed possession of such Unit or portion thereof leased by such Tenant, (ii) the Tenant's rights and privileges under the lease for such Unit or portion thereof ("Lease") shall not be diminished or interfered with by the Condominium Board for any reason whatsoever during the term of the Lease or any extensions or renewals thereof, and (iii) except as provided in the last paragraph of this paragraph (A), the Condominium Board will not join the Tenant as a party defendant in any action or proceeding to foreclose upon the Unit or to enforce any rights or remedies of the Condominium Board under the Declaration and By-Laws which would cut-off, destroy, terminate or extinguish the Lease, provided that (a) the Tenant is not in default (beyond any applicable grace periods) in the payment of rent or additional rent or in the performance or observance of any

of the other terms, covenants, provisions or conditions of the Lease, (b) the Tenant is not in default of any of the provisions of the Declaration and By-Laws, both at the time of the request and at the time of execution of the Non-Disturbance Agreement, (c) the Lease is in full force and effect, (d) the Tenant attorns to the Condominium Board and pays to the Condominium Board, all rentals and other monies due and to become due to the Unit Owner, under the terms of the Lease but only to the extent of a percentage of the unpaid Common Charges due from the Unit Owner, equal to the percentage of the total square footage of the Unit leased by such Tenant, it being understood that without affecting the Tenant's rights and protection afforded by the Non-Disturbance Agreement, the Tenant shall not be required to pay any rentals or other monies otherwise due or to become due to the Unit Owner to the Condominium Board if such payment is prohibited by the terms of any non-disturbance agreement granted to such Tenant by the mortgagee of any such Unitholding a first mortgage on such Unit. The Non-Disturbance Agreement shall be executed by the Tenant and the Condominium Board and prepared by the Condominium Board at the expense of the Unit Owner requesting the Non-Disturbance Agreement, which expense shall be limited to reasonable actual out-of-pocket expenses incurred by the Condominium Board, including reasonable attorneys' fees, costs and disbursements.

Notwithstanding the foregoing, if it would be procedurally disadvantageous for the Condominium Board not to name or join the Tenant in a foreclosure proceeding with respect to the Unit, the Condominium Board may name or join the Tenant without in any way diminishing or otherwise affecting the rights and privileges granted to, or inuring to the benefit of, the Tenant under this Article.

Section 7.8 *Resale Fee.*

(A) Each Office Unit Owner who acquired an Office Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement, written or oral ("Resale Agreement") to sell such Office Unit prior to the first anniversary of the Closing of the Sponsor Sale ("Resale") shall be obligated to pay Sponsor or Sponsor Lender, so long as the Sponsor Loan is outstanding, a portion of the proceeds of the Resale ("Resale Fee"). Such Office Unit Owner will be required to send Sponsor a copy of the Resale Agreement within 10 days after entering into the Resale Agreement. The Resale Fee to be paid to Sponsor Lender so long as the Sponsor Loan is outstanding and thereafter to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Office Unit per the Resale Agreement ("Resale Price") less the following expenses actually paid for by Office Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 1.5% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Office Unit Owner, and (3) actual legal fees not exceeding $5,000; and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. Set forth below is an example of the calculation of a Resale Fee:

Resale Price:	$4,500,000.00
- *less* Broker	($67,500.00)
- *less* Transfer Tax	($ 82,125.00)
- *less* Legal Fees	($ 5,000.00)
Net Profit	$4,345,375.00
- *less* Sponsor Sale Price	($3,000,000.00)
Gross Profit	$ 1,345,375.00
x 50% = **Resale Fee**	**$ 672,687.50**

(B) The Resale Fee shall be paid to Sponsor or Sponsor Lender by wire transfer on the date the closing occurs pursuant to the Resale Agreement. Any deductions for allowable expenses paid by the Office Unit Owner must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Units, the obligation to pay the Resale Fee shall no longer be applicable. The obligation to pay a Resale Fee shall survive the closing of the Sponsor Sale.

(C) A Unit Owner who acquired title to a Unit from Sponsor is prohibited from listing such Unit for sale with any broker or placing or authorizing any listing in any broker's listing system or other listing service or from advertising or otherwise offering, promoting or publicizing the availability of such Unit for sale for 12 months after Closing, without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages its Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering its Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units." The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor or the Retail Unit Owners.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate its Unit unless and until such Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Intentionally omitted.*

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by the Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-laws.

Section 8.7 *Notice to Permitted Mortgagees.*

(A) The Condominium shall provide written notice to the Permitted Mortgagees of each of the following events, to the extent applicable:

(i) any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than 60 days. If the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of section 6.5 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

(ii) if requested in writing by a Permitted Mortgagee, any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. In such event, the Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee.

(iii) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit.

(iv) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(v) any proposed action by the Condominium Board that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

(B) In no event, however, shall the Condominium Board (including its Members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice

required under (A) above. Nonetheless, the Condominium Board shall give such missed notice with reasonable promptness after discovering such failure.

(C) Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representative shall be assumed

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Retail Unit Owners shall give to Sponsor or the Retail Unit Owners the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or the Retail Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor or the Retail Unit Owners, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor or the Retail Unit Owners in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Retail Unit Owners, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator,

such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Office Common Expenses, to be borne by all Office Unit Owners if such arbitration relates solely to the Office Units or the Office Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section l.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) All the provisions of this section 12.1 are subject to the provisions contained in section 12.2 and 12.3 hereof with respect to amendments, modifications, additions or deletions affecting Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, any Retail Unit Owner, or any Permitted Mortgagee.

(B) Any provision of these By-Laws affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners and (ii) Office Common Elements or all Office Unit Owners may be added to, amended, modified or deleted by affirmative vote of at least 66-2/3% in number and Office Common Interest of all Office Unit Owners, either taken at a duly constituted meeting thereof or given in writing without a meeting in accordance with the provisions of section 4.10 hereof. Any such amendment, modification, addition or deletion shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. No such amendment, modification, addition or deletion shall be effective unless and until such instrument is duly recorded in the Register's Office.

Section 12.2 *Special Amendments.*

(A) (1) Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Rules and Regulations as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit; or

(iii) to correct any inconsistencies or scrivener's errors; or

(iv) to relinquish any rights granted to Sponsor hereunder.

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in (1) or (2) of this Section) or the holder of such mortgage (in the event described in (3) of this Section) shall consent thereto by joining in the execution of such amendment.

(2) Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, shall have the right, at its sole cost and expense and without the vote or consent of any Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record (or, at Sponsor's or the Development Rights Owner's sole option, to require the Condominium Board or any other Unit Owners to execute and record) in the Register's Office and elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws and/or the Rules and Regulations as Sponsor or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, deems appropriate to effectuate the same, with respect to Excess Development Rights, to effectuate Sponsor's or

any Development Rights Owner's utilization, sale or transfer of any Excess Development Rights in any manner permitted by Law, provided that no such amendment shall enable Sponsor or Development Rights Owner to utilize Excess Development Rights to increase the size, height, bulk, configuration and/or density of the Property.

(B) Any Retail Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute and record in the Register's Office or elsewhere, if required by Law, by or on behalf of the Condominium Board as attorney-in-fact of all the Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest, one or more amendments to these By-Laws, together with such documents, plans and maps as the Retail Unit Owner deems appropriate to effectuate the same:

(i) to reflect any changes in the Retail Unit and/or the reapportionment of the Common Interest of the affected Retail Unit resulting therefrom made by the Retail Unit Owner in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by the Retail Unit Owner to make a loan secured by a mortgage on the Retail Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by the Retail Unit Owner to insure title to any Retail Unit, as such requirements relate solely to the Retail Unit; or

(iii) to correct any inconsistencies or scrivener's errors.

(iv) to reflect any changes that do not materially and adversely affect the Office Units and/or the Office Unit Owners; provided, however, that any such amendment shall not (1) change the Common Interest or Office Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in provision (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in provision (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(C) Any amendment to these By-Laws may be executed; (i) if on behalf of Sponsor or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, pursuant to the terms of section 12.2(A) hereof, by Sponsor or the Development Rights Owner, (ii) if on behalf of a Retail Unit Owner pursuant to the terms of section 12.2(B) hereof, by the Retail Unit Owner, or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of the Declaration or these By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted pursuant to the terms of the Declaration or these By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(D) Notwithstanding anything contained in the Condominium Documents to the contrary, if any Office Unit Owner, with the prior approval of the Condominium Board changes the size and/or number of Office Units owned by such Office Unit Owner by either (w) subdividing a Office Unit(s) into two or more separate Office Units, (x) combining an Office Unit into one or more Office Units, (y) altering the boundary walls between any adjacent Office Units owned by such Office Unit Owner, or (z) otherwise, including incorporating Office Common Elements (such as a portion of a hallway used exclusively by the owner of such Office Unit) which exclusively benefit an Office Unit into such Office Unit, then the Condominium Board on behalf of such Office Unit Owner and at the Office Unit Owner's sole cost and expense, shall have the right to execute, and record in the City Register's Office and elsewhere, if required by Law, any

amendment to these By-Laws and other documents which are necessary or appropriate to reflect the changes made by the Office Unit Owner, all without the approval of the other Unit Owners, provided, however, that any such amendment shall not (1) change the Common Interest or Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender, unless the owner of such affected Unit (in the event described in (1) or (2)) or the holder of such mortgage (in the event described in (3)) shall consent thereto by joining in the execution of such amendment.

Section 12.3 *Special Consents.*

(A) Notwithstanding anything contained in the Condominium Documents to the contrary, the provisions of this Article 12 may not be modified, amended, added to or deleted, in whole or in part, without the written consent of Sponsor or the Retail Unit Owner if the same relate to Sponsor or the Retail Unit Owner.

(B) Notwithstanding the provisions of section 12.1(B), the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in subsection (F) of section 5.5 of these By-Laws.

(C) Subject to the rights of Sponsor set forth herein, the foregoing Section 12.1 of these By-Laws may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in writing.

(D) Notwithstanding anything contained in the Condominium Documents to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, subsection (A) or subsection (C) of section 6.2, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto. If the Permitted Mortgagees fail to respond within sixty (60) days after written receipt of the proposed amendment, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees shall be assumed.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days with respect to a Permitted Mortgagee) after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest,

to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If any Unit Owner, the Condominium Board or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days (or 60 days, with respect to a Permitted Mortgagee) after request therefor, to execute, acknowledge or deliver any instrument which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge or deliver pursuant to these By-Laws at the request of Sponsor or any Retail Unit Owner or any Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, then Sponsor, the Retail Unit Owner, or the Development Rights Owner solely with respect to utilization, sale or transfer of Excess Development Rights, as the case may be, is hereby authorized, as attorney-in-fact for the Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, in the name of the Unit Owner, Condominium Board or other Person, and such instrument shall be binding on the Unit Owner, Condominium Board or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours. Each Unit Owner shall be permitted to examine the books of account of the Condominium during reasonable business hours, but not more frequently than once a month.

Section 14.2 *Waiver.* No provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor. The rights and/or obligations of the Retail Unit Owners as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of the Retail Unit Owners.

Section 14.6 *Gender.* A reference in these By-laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A CONDOMINIUM ASSOCIATION

Section 15.1 *General.* The Condominium will not be eligible to elect tax-exempt status under Section 528 of the Internal Revenue Code of 1986, as amended.

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ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

These Rules and Regulations are subject to the terms of the Declaration and the By-Laws and any conflict between these Rules and Regulations and the Declaration and By-Laws should be resolved in favor of the Declaration and By-Laws, as applicable.

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all domestic employees, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a Building code violation or which will increase the insurance requirements for the Building.

7. Unless expressly authorized by the Condominium Board in each instance, all Unit Owners are prohibited from entering the roof of the Building.

8. No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

9. There shall be no loitering in the entrances, passages, public halls, elevators, vestibules, corridors, or stairways of the Building.

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

11. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be

done or kept in the Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Unit and permitted by Law.

12. There shall be no barbecuing in the Units or in the Common Elements.

13. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Unit or permit anything to be done in their Unit that will interfere with the rights, comforts, or conveniences of the other Unit Owners.

14. No pets or animals of any kind, with the exception of service animals, may be kept in the Building. 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.

15. No group tour, open house or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, other than in an Unsold Unit or a Unit owned by Sponsor, without the consent of the Condominium Board or the Managing Agent in each instance.

16. No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building by any Unit Owner without prior approval of the Condominium Board.

17. No radio or television aerial or satellite dish or other similar device shall be attached to or hung from the exterior of the Building or the roof and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building by Office Unit Owners (excluding Sponsor), except such as are permitted pursuant to the terms of Declaration and/or the By-laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

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

19. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Unit.

20. Each Unit Owner shall keep the Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-laws.

21. The access doors located in various portions of the ceiling of the Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests;

however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

23. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to the Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

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

25. Unit Owners and their respective guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building.

26. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

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

28. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

29. No weapons of any kind are to be permitted anywhere on the Property.

30. No smoking is permitted anywhere on the Property.

31. Any vendors or service providers, including, without limitation, contractors, delivery services, and moving companies, must adhere to and provide evidence of insurance meeting the requirements set by the Condominium Board.

32. Unit Owners shall not attach, hang, affix, leave, or abandon any belongings or signage anywhere on the Common Elements, or otherwise alter the appearance of any Common Elements, unless approved by the Condominium Board.

33. Any Unit Owner wishing to move large or heavy items through Common Elements in the Building, including, without limitation, large or heavy boxes or furniture ("Moving Work"), must (i) first obtain certificates of insurance covering such Moving Work and submit to the Managing Agent copies of such certificates, which shall name, as additional insureds, the Condominium, the Condominium Board, the Managing Agent, Sponsor (during the Sponsor Control Period), and all their affiliates, agents and assigns, as well as any other Unit Owners as their interests may appear, (ii) perform such Moving Work at such times approved by the Condominium Board or Managing Agent, (iii) employ such protective

measures as necessary to avoid impairing the appearance or damaging any portion of the Common Elements, including, without limitation, floors and walls, as a result of such Moving Work, and (iv) perform such Moving Work using only such means of egress or ingress through the Building and/or elevator as approved by the Condominium Board or Managing Agent. Any costs incurred by the Condominium in order to facilitate the Moving Work (including, without limitation, costs incurred in order to remedy any defaults or omissions by such Unit Owner, to voluntarily provide assistance at the request of such Unit Owner, and/or to employ personnel during such Moving Work in order to ensure the safety of the Building and/or its occupants) shall be charged to the Unit Owner, who shall remain solely responsible for the payment thereof.

34. Any utilization of the elevator to move freight or any large objects by a Unit Owner may be subject to an additional fee payable by such Unit Owner in an amount to be determined by the Condominium Board or Managing Agent.

35. Any Unit Owner wishing to utilize the elevator for the movement of freight or any large objects ("Service Elevator Use") must (i) first obtain consent of the Condominium Board or the Managing Agent in each instance of Service Elevator Use, (ii) tender to the Condominium Board or Managing Agent payment for the fee for such Service Elevator Use (if required by the Condominium Board or Managing Agent in their reasonable discretion), and (iii) upon obtaining such consent, perform such Service Elevator Use only at such times approved by the Condominium Board or Managing Agent. Any costs incurred by the Condominium in order to facilitate the Service Elevator Use (including, without limitation, costs incurred in order to remedy any defaults or omissions by such Unit Owner, to voluntarily provide assistance at the request of such Unit Owner, and/or to employ personnel during such Service Elevator Use to ensure the safety of the Building and/or its occupants) shall be charged to the Unit Owner, who shall remain solely responsible for the payment thereof.

36. Hours of operation of the heating, ventilation, and air conditioning ("HVAC") system in the Building will be operated at times established, modified, and regulated by the Condominium Board in its sole discretion. Any Office Unit Owner or Retail Unit Owner who would like HVAC to be provided to the Unit outside of a service period established by the Condominium Board should contact the Managing Agent, and may be required to pay an additional fee.

37. Unit Owners and their respective guests, domestic employees, employees, agents, visitors, or licensees shall abide by any additional rules and regulations adopted by the Condominium Board.

38. Sponsor and Managing Agent shall have the right to implement reasonable security procedures with respect to guests entering the Building, including, without limitation, requiring guests to sign-in upon arrival.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as the Office Condominiums at 32 West 39th Street ("Condominium") and by the street number 32 West 39th Street, New York, New York 10018 under Article 9-B of the Real Property Law of the State of New York, dated [DECLARATION DATE], and recorded in the Office of the Register of The City of New York of the County of New York ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"), or (b) in the By-Laws of Office Condominiums at 32 West 39th Street ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 840 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-laws then in effect, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire, lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) acquire, mortgage, lease, sublease, license, convey or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Property or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Property which the Condominium Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting Units.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, _____, (having an office) (residing at) _____, the owner of a Unit _____ ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ in Block 840 of the Borough of Manhattan on the Tax Map of the Division of Land Records of The City of New York and on the Tax Lot Drawings, do(es) hereby nominate, constitute and appoint 32 W 39th Street Sole

Member LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to:

(a) amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents, including without limitation, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit; or (3) shall be required to correct any inconsistencies or scriveners' errors in the Declaration, the By-Laws and/or the Tax Lot Drawings; or (4) relinquish Sponsor's rights under the Condominium Documents, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as (i) Sponsor shall cease to own any Unit in the Condominium; (ii) Sponsor has completed all of its obligations under the terms of the Offering Plan; and (iii) a PCO has been issued for the Property;

(b) to effectuate Sponsor's and/or Development Rights Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in the Declaration; and

(c) to close out or otherwise assume complete control over any open applications and/or permits associated with any work commenced by any Unit Owner (including without limitation to substitute the person who opened the application or permit with an architect chosen by Sponsor) and otherwise take any other actions necessary in Sponsor's sole discretion (to the extent permitted by Law) in order to avoid or mitigate any delay in obtaining a TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), pursuant to Sponsor's rights under subsection 5.2(F) of the By-Laws.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT ON FOLLOWING PAGE)

(ACKNOWLEDGEMENT)

STATE OF _____)
) ss.:
COUNTY OF _____)

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of whom the individual(s) acted, executed the instrument.

_____
Notary Public

UNIT OWNER'S SPECIMEN TITLE POLICY

First American Title Insurance Company

AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY (6-17-2006)
WITH NEW YORK COVERAGE ENDORSEMENT APPENDED (A.L.T.A.)

SCHEDULE A

Policy No PROFORMA

Title Number	**Effective Date**	**Amount of Insurance**
LT74923	TBD	TBD

1. **Name of Insured:** TBD

2. **The estate or interest in the land which is covered by this policy is:** Fee Simple

3. **Title to the estate or interest in the land is vested by:**

   TBD who acquired title by deed from 32 w. 39th Street Sole Member LLC dated _____ and to be recorded in the Office of the Register of the County of NEW YORK.

4. **The land referred to in this Policy is described herein on Schedule A Description of Premises.**

   For Information: Premises known as: 32 West 39th Street, New York, NY 10018

_____
Authorized Signatory

SCHEDULE A
DESCRIPTION OF PREMISES

Title No. LT74923
Policy No. PROFORMA

The Condominium Unit known as Unit No. * in the Building known as *, located at 32 West 39th Street, Borough of Manhattan, County of New York, City and State of New York, and also designated and described as Unit No * in a certain declaration dated *, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York, establishing a "Condominium" covering the Building and the land upon which the Building is situated, which Declaration was recorded in the New York County Office of the Register of the City of New York, on *, in CRFN *, which Unit is also designated as Tax Lot * in Block * of * of the Borough of Manhattan on the Floor Plan of the Building, certified by * , on * and filed simultaneously with said Declaration in the said Office of the Register of the City of New York, County of New York as Map No. * .

TOGETHER with an undivided * percent interest in the common elements.

All that certain plot, piece or parcel of land situate, lying and being in the Borough of Manhattan, City, County of New York, State of New York bounded and described as follows:

BEGINNING at a point on the southerly side of 39th Street, distant four hundred thirty-five (435) feet westerly from the corner formed by the intersection of the westerly side of Fifth Avenue with the southerly side of 39th Street;

RUNNING THENCE southerly parallel with the westerly side of Fifth Avenue, ninety-eight (98) feet nine (9) inches to the center line of the block;

THENCE westerly along said center line of the block, seventy-five (75) feet;

THENCE northerly again parallel with the westerly side Fifth Avenue, ninety-eight (98) feet nine (9) inches to the southerly side of39th Street;

THENCE easterly along the said southerly side of 39th Street, seventy-five (75) feet to the point or place of BEGINNING.

Policy No PROFORMA
Title No LT74923

SCHEDULE B

Showing defects, liens, encumbrances and other matters against which the Company does not, by this Policy, insure:

1. Rights of tenants, as tenants only.

2. Taxes, tax liens, tax sales, water rates, sewer rates, sewer rents and assessments, which may be owed but are not yet a lien.

3. Memo of Lease recorded in CRFN 2015000362742 assigned by CRFN 2022000105809.

4. Wireless Communication Easement recorded in CRFN 2022000105808.

5. Non-Disturbance Agreement recorded in CRFN 2022000105810.

6. With respect to Condominium Unit No. *, the title to which is to be insured herein, policy excepts any state of facts which an accurate survey would disclose. Policy insures, however, that any encroachment of the Unit onto other Units or onto any part of the common elements may remain undisturbed as long as the Unit insured hereunder exists.

7. Terms, restrictions, conditions, and easements set forth in the Declaration of Condominium and By - Laws of the * Condominium dated *, recorded * in (as) *; but the Policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

8. Policy excepts easements in favor of adjoining units and in favor of common elements for the continuance of all encroachments of such adjoining units or common elements on the Unit now existing as a result of construction of the building or which may come into existence hereafter as a result of settling or shifting of the building, or as a result of repair or restoration of the building or of any adjoining unit of the common elements after damage or destruction by fire or other casualty, or after taking in condemnation or eminent domain proceedings or by reason of an alteration to the common elements, so that any such encroachments may remain so long as the building shall stand.

9. Policy excepts easements in favor of the other units to use the pipes, ducts, conduits, cables, public utility lines, wires and other common elements located in the unit or elsewhere on the property and serving such other units.

First American Title™

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

Issued by

First American Title Insurance Company

Attached to and made a part of Policy Number PROFORMA

1. The following is added as a Covered Risk:

   "11. Any statutory lien arising under Article 2 of the New York Lien Law for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. Exclusion Number 5 is deleted, and the following is substituted:

   5. Any lien on the Title for real estate taxes, assessments, water charges or sewer rents imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as Shown in Schedule A.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Greg L. Smith, Secretary

By: _____

Authorized Countersignature

First American Title™

WAIVER OF ARBITRATION ENDORSEMENT
(OWNER'S OR LOAN POLICY)

Issued by

First American Title Insurance Company

Attached to and made a part of Policy Number PROFORMA

The policy is amended by deleting therefrom:

(A) If this endorsement is attached to an ALTA Loan Policy: Condition 13.

(B) If this endorsement is attached to an ALTA Owner's Policy: Condition 14.

(C) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Greg L. Smith, Secretary

By: _____

Authorized Countersignature

First American Title™

NEW YORK ELECTRONIC SIGNATURES ENDORSEMENT

Issued by

First American Title Insurance Company

Attached to and made a part of Policy Number PROFORMA

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated:

First American Title Insurance Company

Dennis J. Gilmore, President Greg L. Smith, Secretary

By: _____

Authorized Countersignature

ATTORNEY'S INCOME TAX OPINION

MELTZER LIPPE GOLDSTEIN & BREITSTONE, LLP
190 Willis Avenue, Mineola, NY 11501 • T. 516.747.0300
www.meltzerlippe.com

June 16, 2022

32 West 39th Street Sole Member LLC
28 West 36th Street, Suite 301
New York, New York 10018

Re: Office Condominiums at 32 West 39th Street, New York, NY

To whom it may concern:

In connection with the offering of condominium units under a plan entitled Commercial Condominium Offering Plan for Office Condominiums at 32 West 39th Street (the "Plan"), you have requested our opinion as special tax counsel to the Sponsor concerning (1) the deductibility for U.S. federal, New York State and New York City income tax purposes of payments of mortgage interest and real property taxes by Unit Owners, and (2) the qualification of the Office Condominiums at 32 West 39th Street (the "Condominium") as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

This opinion addresses certain U.S. federal, New York State and New York City income tax consequences to a Unit Owner that is a resident of New York City for income tax purposes and that uses its Unit in the conduct of a trade or business. This opinion does not address foreign taxes, state or local income taxes other than New York State and City income taxes, non-income taxes or the federal alternative minimum tax. It also does not address, among other things, the ownership of Units by tax-exempt entities or by taxpayers that are not residents of New York City for income tax purposes, the ownership of Units for investment purposes, any estate tax consequences of ownership of Units by an individual or any reporting requirements associated with the use of a Unit in a trade or business.

In connection with rendering this opinion, we have reviewed the Plan. We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Tax Law, the regulations promulgated under each of the foregoing and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which Unit Owners will acquire their Units and that the relevant facts are as set forth therein.

We understand that under the Plan each Unit Owner will hold title to its Unit in fee simple and also own an undivided interest in (and right to use) the Common Elements of the Property in common with the owners of all other Units. Under New York State law, each Unit will be taxed as a separate parcel for real property tax purposes, and each Unit Owner will be liable to the local tax authority for the tax assessment with respect to its Unit. In addition, each Unit Owner may place a separate mortgage on its Unit and, by doing so, incur direct liability for the interest payable on such mortgage. No Unit Owner will be liable for the payment of real property taxes or mortgage payments with respect to any other Unit.

Deductibility of Mortgage Interest and Real Property Taxes

Our opinion has been requested as to the deductibility for U.S. federal, New York State and New York City income tax purposes of payments of mortgage interest and real property taxes by Unit Owners.

Pursuant to Code Section 163 and the Treasury Regulations thereunder, interest payments (or accruals, as applicable) that are properly allocable to a trade or business, other than the trade or business of performing services as an employee, are generally allowed as a deduction for federal income tax purposes, subject to limitations. Further, Code Section 164(a) generally provides for the deduction of state and local real property taxes that are paid or accrued by a taxpayer. Pursuant to Code Section 164(b)(6), the $10,000 limitation applicable to taxable years beginning in 2018 through 2025 does not apply to taxes paid or accrued in carrying on a trade or business. The Internal Revenue Service (the "IRS") has ruled that the owner of a condominium unit could deduct interest paid on its mortgage indebtedness under Code Section 163 and the real property taxes assessed and paid on its interest in the property under Code Section 164. Rev. Rul. 64-31, 1964-1 C.B. 300.

Based on the foregoing, it is our opinion, subject to the assumptions and limitations expressed herein, that interest on a mortgage secured by a Unit that is paid or accrued by the applicable Unit Owner should be deductible for U.S. federal income tax purposes in the appropriate year according to such Unit Owner's method of accounting. In rendering this opinion we assume that (1) the Unit Owner is liable for such interest payment, (2) such interest is not prepaid, (3) the Unit Owner uses its Unit in the conduct of a trade or business (other than the trade or business of performing services as an employee) and (4) either the mortgage was obtained to purchase the Unit or the proceeds of the mortgage were used by the Unit Owner in its trade or business.

It is also our opinion, subject to the assumptions and limitations expressed herein, that real property taxes assessed against a Unit Owner's Unit that are paid or accrued by such Unit Owner should be deductible for U.S. federal income tax purposes in the appropriate year according to such Unit Owner's method of accounting.

Deductions are subject to various limitations under the Code. Code Section 163(j), as amended by the 2017 Tax Cuts and Jobs Act, generally limits the deduction for net business interest expense to 30% of the taxpayer's "adjusted taxable income" within the meaning of the applicable Treasury Regulations, subject to certain exceptions. Any expense in excess of the limitation is carried forward and may be deducted in a subsequent year, subject to the 30% limitation. Each Purchaser should consult its own tax advisor as to the application of the limitation on the deduction of interest under Code Section 163(j) to its particular circumstances. In addition, the deduction of mortgage interest and real property taxes by certain Unit Owners may be limited by the passive activity rules of Code Section 469 and the "at risk" limitation rules of Code Section 465.

Each Unit Owner should generally be entitled to the same deduction for mortgage interest and real 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 income tax purposes, subject to additional New York state limitations on the deductions (after application of the limitations described above).

Purchasers should consult their own tax advisors to determine if any additional adjustments or limitations may apply in their particular circumstances under federal, New York State and New York City income tax laws. In addition, Purchasers should consult their own tax advisors regarding the effects of any other tax laws, including the effects of the alternative minimum tax.

Federal Income Tax Qualification of the Condominium

Our opinion also has been requested as to whether the Condominium will qualify as a homeowners association within the meaning of Code Section 528. Qualification as a homeowners association would allow the Condominium to elect to be exempt from federal income tax on amounts received as membership dues, fees or assessments from Unit Owners.

Code Section 528 outlines six conditions for qualification as a homeowners association in any applicable taxable year:

(1) The Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Condominium's property.

(2) Sixty percent (60%) or more of the Condominium's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from Owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Condominium for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Condominium's property.

(4) No part of the net earnings of the Condominium may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Condominium's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Condominium must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Condominium must properly elect to have Code Section 528 apply for the taxable year.

The Treasury Regulations under Code Section 528 provide that "substantially all of the units" will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all units within the project is used by individuals for residential purposes.

You have advised us that none of the total square footage of the Premises will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not be met, and it is our opinion that the Condominium will not be eligible to be treated as a homeowners association under Code Section 528.

Since the Condominium will not qualify as a tax exempt organization pursuant to Code Section 528, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the non-membership, and possibly membership, income described above less expenses related to such income) is subject to U.S. federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners. The tax treatment of the Condominium may be affected by certain U.S. Treasury Regulations relating to entity classification.[1]

[1] To remove doubt in the area, the Condominium may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

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

*****

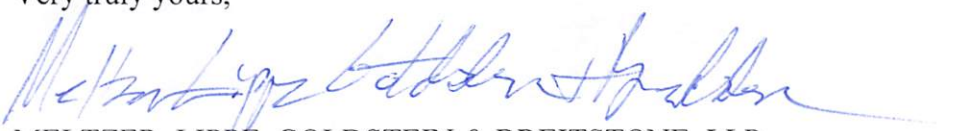
We express no views as to any federal or New York State or City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS, the New York State Department of Taxation and Finance ("NYS"), the New York City Department of Finance ("NYC") or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will Meltzer, Lippe, Goldstein & Breitstone, LLP, Sponsor, the Condominium Board, the Selling Agent, the Managing Agent, or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS, NYS or NYC rulings on which we have relied which cause the Unit Owners not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

This opinion is intended solely for your benefit in connection with the transactions contemplated hereby and may not be relied upon by any other person or entity or for any other purpose without our prior written consent. We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan. This opinion is given as of the date hereof and we assume no obligation to advise you of changes that may hereafter be brought to our attention.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, YOU ARE HEREBY NOTIFIED THAT (A) ANY FEDERAL TAX ADVICE CONTAINED HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE

IMPOSED UNDER THE CODE; (B) THE ADVICE IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF THE TRANSACTION OR THE MATTERS ADDRESSED HEREIN; AND (C) A TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Very truly yours,



MELTZER, LIPPE, GOLDSTEIN & BREITSTONE, LLP

REAL ESTATE TAX PROJECTION OPINION

Korngold Powers LLP

COUNSELORS AT LAW
60 East 42nd Street
Suite 4600
New York, NY 10165
212.324.3398
korngoldpowers.com

January 21, 2022

32 W 39th Street Sole Member LLC
28 West 36th Street
New York, New York 10018

RE: 32-34 West 39thh Street
Currently Block 840 Lot 66
Borough of Manhattan, New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate tax assessments and taxes upon the creation of a condominium. You have requested our opinion concerning the real property tax assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period July 1, 2023 to June 30, 2024. You have advised us that the project will consist of the conversion of the existing office building to a condominium structure. You have advised us that there are no major alterations planned before the initial budget year.

In order to prepare this letter and the opinion set forth herein, we have been supplied with certain information upon which we have relied. We been supplied with a square footage analysis of the project, your income and expense statements and a January 2022 rent roll. With the exception of information that is on publicly accessible web sites maintained by agencies of the City of New York, the factual information contained in this letter is based entirely on information provided to us by you or your agents and we have made no independent investigation of such information. This opinion letter and projection of future real estate tax assessments and taxes is provided solely as an estimate of such assessments and taxes and we accept no liability in the event the opinions expressed herein are not accurate. The projection of real estate taxes for years into the future is highly speculative and subject to change. **This estimate has partially considered the effect of the current Corona Virus pandemic, it is unknown how this will affect assessed values going forward.**

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of economic value.

2. The potential capitalized net income of the property if operated as a rental.

3. Tax Assessments of comparable properties.

4. Assessment roll data on the subject property.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The tentative assessment roll containing the tentative 2022/2023 assessed values was published on January 18, 2022. The tentative 2022/2023 assessment roll showed the following values:

Block/Lot	Actual Assessed Value	Transitional Assessed Value	Tax Class
1/805/3	$6,422,400	$6,689,070	4

Real Property Tax Law Section 581 provides that condominium buildings shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that are set in any condominium offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by the sponsor, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units..

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five-year phase in does not apply to new construction or other increases due to physical improvements to the property.

Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. Assuming there is no major alteration work performed in future years, any increases in assessed value will likely result in the taxable assessment being increased and based on a phased-in transition assessed value.

We have been advised that in determining the assessed values for the individual units, since November 28, 2005 the revised procedures of the New York City Department of Finance calls for the locking-in of the common interest (elements) percentages (Unit Allocation Factor or UAF) extracted from the condominium declaration filed with the Department of Finance, Survey office and registered at the City Register. Thus the allocation of the assessed value of all units should be based on the common interest as set forth in the condominium declaration.

We caution you that it is likely that there will not be an official apportionment of the assessment for the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective. You should explain in your offering plan how taxes are to be allocated among unit owners prior to the apportionment of the tax lots which may be substantially different than the numbers set forth herein.

Predicated upon the foregoing, it is our estimate that the actual assessed value for the period beginning July 1, 2023 shall be $6,750,000 with a taxable transition assessed value of $6,735,330.

Therefore assuming the class 4 tax rate remains at $10.755 for each $100 of assessed valuation we make the following projections of the real estate taxes prior to any abatements or exemptions for the initial budget year July 1, 2023 through June 30, 2024:

July 1, 2023 through June 30, 2024 (2023/2024 Tax Year)

Taxable Assessed Value	Tax Rate	Tax
$6,735,330	10.755%	$724,385

The writer of this opinion has extensive experience in real estate tax review matters as well as in ICIP/ICAP, 421-a and J-51 tax exemption/ tax abatement applications and has filed applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. He has been practicing in this area of law since his admission to practice law in 1977. Additionally, the writer is the past chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a former director of both the New York State Builders

Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

Based upon our previous experience with such proceedings, we have issued the within letter which the specific understanding our opinion is not a guarantee of the amount of future real estate taxes. In no event will we, as Sponsor's real estate tax counsel, be liable if there are changes in the facts on which we have relied in issuing this opinion, or if there are changes in the applicable statutes, rules and regulations of the City of New York, decisional laws or administrative agency rulings, interpretations and policies on which we have relied which cause this opinion to be inaccurate.

Interested parties should be aware that the estimate of the real estate tax assessments and taxes for the initial budget year covers a period into the future. Neither we nor any person can guarantee what the real estate taxes will be at any future date. The estimates set forth in this letter are merely our opinion. Changes in economics, law or policies of government agencies may radically change the opinions expressed herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. That Department's opinions may result in substantially different total taxes than the taxes estimated herein. This opinion letter is given as of the date hereof and we disclaim any obligation to you or any unit purchaser of any change which hereafter may be brought to our attention. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

KORNGOLD POWERS, LLP

Paul J. Korngold
By: Paul J. Korngold

FORM W-8
(CERTIFICATION 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)

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.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 32 W. 39th Street Sole Member LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 32W39 Condominium and located at 32 West 39th Street, New York, NY 10018 ("Offering Plan"); and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan, and in accordance with the provisions contained in the Escrow Rider to the Purchase Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank authorized to do business in the State of New York entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account").

1.2. All Deposits will be placed initially in a non-interest-bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest-bearing checking portion of the Master Escrow Account into an individual interest-bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest-bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3. ESCROW AGENT has designated the following attorneys to serve as signatories for the Master Escrow Account: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq., Adam Kriegstein, Esq., and Shaun Pappas, Esq. ("Authorized Signatories"). All Authorized Signatories are admitted to practice law in the State of New York. ESCROW AGENT and all Authorized Signatories have an address of 220 East 42 Street, Suite 3302, New York, New York 10017, and a telephone number of (212) 620-2680.

1.4. Neither ESCROW AGENT nor any Authorized Signatories on the Master Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Offering Plan), or any principal thereof, or have any beneficial interest in any of the foregoing.

1.5. ESCROW AGENT and all signatories designated herein hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.6. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.7. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a consummation of the Offering Plan (i.e., the Offering Plan is declared effective) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1. All Deposits received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of Deposits, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Purchase Agreement"), ESCROW AGENT shall notify the Purchaser of the placement of the Deposit into the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive such notification within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Purchase Agreement and rescind within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, New York, 10005 ("Department of Law"). Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1. Under no circumstances shall Sponsor seek the release of the Deposits of a defaulting Purchaser until after Consummation of the Offering Plan (as such term is defined in the Attorney General's regulations). Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and GBL Section 352-h.

3.2. ESCROW AGENT shall release the Deposit if so directed:

3.2.1. pursuant to terms and conditions set forth in the Offering Plan and Escrow Rider to the Purchase Agreement, upon closing of title to the Unit; or

3.2.2. in a subsequent writing signed by both SPONSOR and the Purchaser; or

3.2.3. by a final, non-appealable order or judgment of a court.

3.3. If the Deposits are not released pursuant to paragraph 3.2 and ESCROW AGENT receives a request by SPONSOR or Purchaser to release the Deposits, ESCROW AGENT shall give both parties prior written notice of not fewer than 30 days before releasing the Deposits. If ESCROW AGENT has not received notice of objection to the release of the Deposits at the expiration of the 30 day period, the Deposits shall be released and ESCROW AGENT shall provide further written notice to both parties informing them of the release of the Deposits. If ESCROW AGENT receives a written notice from either party objecting to the release of the Deposits within the 30 day period set forth in the notice, ESCROW AGENT shall continue to hold the Deposits until otherwise directed pursuant to paragraph 3.2. However, ESCROW AGENT shall also have the right at any time to deposit the Deposits with the clerk of a court in the county in which the Unit is located and shall give written notice to both parties of such deposit.

3.4. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

3.4.1. a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or

3.4.2. all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.5. In the event SPONSOR and a Purchaser close title under the Purchase Agreement, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

4. RECORDKEEPING.

4.1. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2. Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary and statutory obligations under GBL §§ 352(e)(2-b) and 352(h).

5.3. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

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

5.6. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7. The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a Purchaser under Article 23-A of the GBL.

6. RESPONSIBILITIES OF SPONSOR.

6.1. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of, or attorney or legal assistant employed by, ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary and statutory obligations set forth in GBL §§ 352(e)(2-b) and 352(h) and the Department of Law's regulations promulgated thereto.

6.3. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1. This Agreement shall remain in effect unless and until it is cancelled by either:

7.1.1. Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent. Purchaser shall be deemed to have consented to such cancellation; or

7.1.2. The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation. Such amendment shall disclose the identity of the successor escrow agent, the bank in the State of New York where the Deposit is being held, and the account number in which the Deposits will be held, and shall be served on all Purchasers by SPONSOR; or

7.1.3. All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all Purchase Agreements or documents maintained by ESCROW AGENT relating to such funds to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Prior to release of the Deposits, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all claims, losses, judgments, costs, expenses and damages, including those brought by third-parties, including purchasers, incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, professional fees, including attorneys' fees, court costs and disbursements, either paid to retain attorneys or representing the value of all legal services rendered by Escrow Agent to itself and any and all attorneys' and professional fees, court costs, expenses and disbursements incurred by Escrow Agent in connection with a bankruptcy case filed by Sponsor for protection under the United States Bankruptcy Code, the enforcement of any rights, or defense of any claims against Escrow Agent in any bankruptcy proceeding, or any other matter arising in or in connection with Sponsor's bankruptcy case.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h, the Department of Law regulations, and the Escrow Rider to the Purchase Agreement, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

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

SPONSOR:

32 W. 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

CERTIFICATION OF SPONSOR AND PRINCIPAL

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPAL

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

Re: Condominium Offering Plan
32W39 Condominium
32 West 39th Street
New York, NY 10018

We are the sponsor and the principal of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

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

[SIGNATURE PAGE TO FOLLOW]

[SIGNATURE PAGE RE: SPONSOR AND PRINCIPAL OF SPONSOR CERTIFICATION]

SPONSOR:

32 W. 39TH STREET SOLE MEMBER LLC

By: _____
Name: Aron Rosenberg
Title: Authorized Signatory

PRINCIPAL OF SPONSOR:

_____
Aron Rosenberg

Severally sworn to before me
this 3rd day of May, 2022

_____
Notary Public

JACK G. FRUCHTER
Notary Public, State of New York
No. 02FR6073524
Qualified in Nassau County
My Commission expires on April 22, 2026

CERTIFICATION OF ARCHITECT

HLZA

ARCHITECT'S CERTIFICATION

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

32 WEST 39TH STREET
NEW YORK, NY 10018

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report disclosing the condition of the property (the "Report"). Our firm visually inspected the property on **December 22, 2021, January 5, 2022, January 18, 2022, and January 24, 2022.** Our firm prepared the Report dated **December 7th, 2022**, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect in the State in which the property is located.

I understand that I am 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.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I certify that the report and all documents prepared by me disclose all the material facts which were then discernable from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report based on my visual inspection:

i. sets forth in narrative form the description and/or physical condition of the entire property and is current and accurate as of the date of inspection;

ii. in my 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;

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;

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HLZA

vii. does not contain any representation or statement which is false, where i:

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; and

viii. It is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my 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.

REGISTERED ARCHITECT HOWARD L. ZIMMERMAN 14327 STATE OF NEW YORK

Howard L. Zimmerman Architects, P.C.

By: Howard L. Zimmerman

Sworn to before me this

7 Day of December, 2022

Sarah Archbold

Notary Public

SARAH L. ARCHBOLD
Notary Public, State of New York
No. 01AR5071633
Qualified in Queens County
Commission Expires January 21, 2023

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CERTIFICATION OF BUDGET EXPERT

CHOICE NEW YORK PROPERTY MANAGEMENT
254 West 31st Street – 6th Floor
New York, NY 10001

PART 20: CERTIFICATION BY EXPERT AS TO
ADEQUACY OF CONDOMINIUM BUDGET

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

Re: Condominium Offering Plan
Office Condominiums at 32 West 39th Street
32 West 39th Street
New York, New York 10018

Dear Sir/Madam:

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare the Schedule B containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes the management of mixed use and commercial properties throughout New York. We have been managing properties since 2009 and have managed over 250 mixed use, residential, and commercial properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have reviewed Schedule B and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule B:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation. This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

CHOICE NEW YORK MANAGEMENT

By: _____
Name: Adam Lichtenstein
Title: Member

Sworn to before me this
8th day of December, 2022.

_____
Notary Public

DAMIEN M. STEIN
Notary Public, State of New York
No. 02ST6086103
Qualified in Queens County
Commission Expires March 3, 2023

{v.2}

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

PAMPHLET RE: PROTECTING FROM LEAD PAINT



Attorney General
of New York
Letitia James

Dear New Yorkers:

Protecting the health and well-being of children is one of our most important responsibilities. It's also one of the most difficult, especially when some threats – such as lead poisoning – are not easy to see. Children can come into contact with dangerous amounts of lead in their homes — especially those built before 1978 — by breathing in dust, or handling and ingesting paint chips from old lead paint. The result can be serious, and sometimes irreversible, harm to their health.

This brochure explains the dangers posed by lead paint and dust in the home and provides ways to safeguard your child from lead poisoning.

We can work together to protect the health of New York's children by preventing household lead paint poisoning.

Sincerely,

Letitia James

Resources

New York State Office of the Attorney General
(800) 771-7755
ag.ny.gov

Environmental Protection Bureau
Albany: (518) 776-2400
New York City: (212) 416-8446
Buffalo: (716) 853-8404

Learn More

The following federal, state, and local government resources will provide you with more information about protecting your child from household lead paint poisoning:

New York State Department of Health
Lead Poisoning Prevention
For local and regional prevention programs:
health.ny.gov/environmental/lead

Centers for Disease Control Lead Poisoning Prevention
cdc.gov/nceh/lead

U.S. Environmental Protection Agency
www2.epa.gov/lead

For listings of lead safe contractors:
cfpub.epa.gov/flpp/pub/index.cfm?do=main.firmSearch



Lead Paint Poisoning

Keep Your Home
and Your Children Safe

Office of The New York State
Attorney General
Letitia James

Lead Paint and Dust in the Home is Dangerous to Children

Before it was banned in household paints in 1978, lead was a common ingredient in paints applied to both the interior and exterior of homes. If your home was built before 1978, it is likely to contain at least some lead-based paint.

Lead-based paint in the home is especially dangerous when it deteriorates. Dust created when paint is worn down – such as on sliding windows, stairs, and railings – can be inhaled or swallowed by your child, exposing them to lead. Children can be exposed to lead in paint that is chipping, flaking, or peeling when it is handled or eaten. Home repair activities that disturb painted surfaces, creating chips or dust, can also expose children to lead.

Outside your home, children can be exposed to lead by playing in dirt that has been contaminated by lead paint that has chipped or peeled from your house's exterior.

The Dangers

Lead is highly toxic, especially to children under 7 years old. No safe blood lead level in children has been identified. Even small amounts can cause many health problems, including harming your child's ability to learn and read, attention deficits, hyperactivity, irritability, and other behavioral problems. Many of lead's health effects can be permanent. At high levels, lead can cause brain damage and even death.

Has Your Child Been Exposed to Lead

New York State law requires that your child be lead-tested by a health care provider at age 1 and again at the age of 2. In addition, at every well-child visit up to age 6, health care providers must ask you about any contact your child might have had with lead and to test again if there has been a chance of exposure. Because it often occurs with no obvious symptoms, lead poisoning frequently goes unrecognized in children.

A blood test is the only way to determine if your child has been exposed to lead. In general, if you have any concerns about your child and lead, you should ask your health care provider if your child should be tested. Be sure to follow up and ask what the test results mean.

Making Your Home More Lead-Safe

The best way to protect your child from lead in the home is to limit their potential contact with it. You should:

- Immediately repair any peeling, flaking, or chipping paint in your home, or areas – such as window frames – where the paint is being worn down. If you are doing the repairs yourself, call your local health department to find out about using lead-safe home repair methods.
- Wash your child's hands and toys frequently, as they may become contaminated with lead dust.
- Use mops, cloths, and paper towels, dampened with water, to clean windowsills, window wells and other horizontal surfaces throughout your home every 2 to 3 weeks.
- Create barriers to keep your child away from lead hazards if deteriorating paint surfaces can't be fixed immediately. Close and lock doors to rooms with chipping, flaking, or peeling paint – or use contact paper or duct tape to temporarily cover the deteriorating surfaces.
- Check the exterior of your home, including porches and fences, for cracking, flaking, peeling or otherwise deteriorating paint that may contaminate soil in your yard with lead. To avoid tracking lead-contaminated soil into your home, place doormats outside and inside all entryways and remove your shoes before entering. Additionally, do not allow children to play in areas where soil that may be contaminated.

Paying for Testing

For families with private insurance, lead screening for children at high risk of exposure is covered under the federal Affordable Care Act. Check with your insurance provider to find out what's included in your plan. In addition, Medicaid pays for lead testing for all enrolled children.

You can also contact your county health department to see if it has lead testing clinics or arranges for testing of children who lack health insurance coverage.

For more information about having your child tested for lead, contact the New York State Department of Health at 800-458-1158 or visit their website at: ***health.ny.gov/environmental/lead***.

Know Your Rights

Whether you rent, own or are planning to buy a home, you should be aware of your rights. Lead hazard protection laws require:

- Landlords to maintain safe conditions in your home. If you are concerned that lead-based paint in your home may present a health hazard, discuss necessary repairs with your landlord. If you are unsatisfied with your landlord's response, contact an attorney or a legal aid services office (visit www.lawhelpny.org to find free legal aid assistance programs near you).
- Sellers and landlords to disclose known lead-based paint and lead-based paint hazards to buyers or renters of pre-1978 housing.
- Contractors performing renovation, repair, and painting projects in homes built before 1978 are to be EPA certified and follow specific work practices to prevent lead exposure.

If you believe anyone is violating these laws, contact your county health department or the U. S. Environmental Protection Agency at ***(800) 424-5323.***

If you or your landlord are using a contractor to perform improvements that may disturb lead-based paint in your home, make sure they use a EPA Certified Lead-Safe Contractor.

You can find a list of lead-safe contractors in your area at: ***cfpub.epa.gov/flpp/pub/index.cfm?do=main.firmSearch***

Children and pregnant women should not be present in homes during renovation, repair and painting projects that may disturb lead-based paint.