CONDOMINIUM OFFERING PLAN FOR THE 57 LISPENARD STREET CONDOMINIUM

57 Lispenard Street, New York, New York 10013

TOTAL INITIAL OFFERING PRICE OF THE
4 RESIDENTIAL UNITS OFFERED FOR SALE HEREBY: $18,175,000

(4 Residential Units are initially being offered at this time. The Commercial Unit is not being offered for sale under the terms of this Plan)

Sponsor

304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, New York 10019

Selling Agent

Corcoran Group
590 Madison Avenue
New York, New York 10022

Date of Acceptance for Filing: [____ __, 2024]

The term of the initial offering of this Plan commenced on [_____ __, 2024] and expires on [_____ __, 2025] unless said date is extended in a duly filed amendment.

SEE PAGE (viii) FOR SPECIAL RISKS TO PURCHASERS

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS AFTER CONSUMMATION, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

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

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

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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Description of Property; Use Provisions

The 57 Lispenard Condominium will initially consist of four (4) Residential Units, one (1) Commercial Unit and the Common Elements. The Residential Units are, as of the date hereof, all offered pursuant to this offering plan. The Commercial Unit is not presently being offered for sale pursuant to this offering plan. Sponsor reserves the right, in the future, to offer the Commercial Unit for sale pursuant to the terms of this Plan, or, alternatively, by making an application to the New York State Department of Law for a "no-action" letter or letter of similar advice in connection with the sale of the Commercial Unit. In the case that the Commercial Unit is offered for sale in the future pursuant to the terms of the Plan, Sponsor will cause the Description of Property and Building Condition Report in Part II of the Plan (the "Architect's Report") to be updated to reflect certain disclosures pertaining to utilities and systems serving the Commercial Unit.

The building is comprised of 5 stories above grade with one below grade cellar and, to the best of Sponsor's knowledge, was originally constructed in approximately 1860-1861 and was most recently renovated in 2018 (the "Building"). The Common Elements and Residential Units are being offered and will be delivered in their existing "AS IS" "WHERE IS" condition in which they exist at the time a purchaser signs an Agreement (including without limitation, the kitchen appliances, VRF heating and cooling system and washer/dryer, which are not new and will not be replaced, except that they shall be in working order at the time of closing), subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing. Sponsor will maintain each of the Units, and fixtures and personalty, up to the time of the transfer of title to the Unit in question. Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor is not intending on making any material upgrades to the Common Elements at this time.

As more particularly set forth in the Declaration and Condominium By-Laws set forth in Part II of this Plan, a Residential Unit may generally be used only for residential purposes and, subject to compliance with the Declaration and the Condominium By-Laws, for a lawful home occupation as defined in the Zoning Resolution (a New York City zoning resolution affecting use and occupancy). Residential Unit Owners may, subject to the Condominium Board's right of first refusal, rent their Residential Unit pursuant to a lease with a minimum term of one (1) year, in each case. No transient tenant or short-term paying guest (i.e., a tenant or paying guest in occupancy for a period of less than twelve (12) consecutive months) may be accommodated in any Residential Unit, and only an entire Residential Unit may be leased. Residents of the Residential Units thus may be comprised of Residential Unit Owners as well as tenants leasing Residential Units from other Residential Unit Owners. Notwithstanding the foregoing, Sponsor may use any Unsold Residential Unit for any lawful purpose and may lease a Residential Unit for any term, which may be for a term than less than one (1) year and on a transient basis, but in all cases subject to compliance with all applicable law at the time in question, including without limitation, Local Law 18.

The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, gallery, commercial or office purposes. Neither the Condominium

Board nor any other Person will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. No representation or warranty is made with respect to the initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

The Cellar Level has less light and air than ordinary living space located at or above grade and is more susceptible to dampness.

(See the Sections of Part I of this Plan entitled "Description of the Property and Improvements" and "Rights and Obligations of the Unit Owners and the Condominium Board of Managers" for further discussion.)

2. Resident Manager.

A resident manager or superintendent will not reside at the Property and accordingly, there is no Unit designated as a "resident manager's unit" at the Building. It is anticipated that a part-time superintendent, that also services other properties, will be engaged to perform routine maintenance at the Building several hours a week, as more particularly described in Schedule B (First Year's Budget). Notwithstanding the foregoing, all Legal Requirements with respect thereto will be complied with, including the Administrative Code of the City of New York, Section 27-2052, et seq ("Section 27-2052"). (See the Section entitled "Introduction" in Part I of the Plan for further discussion.)

3. Vestibules and Mechanical Rooms Part of Residential Units

Vestibules

Certain vestibules (identified as "vestibules" on the Floor Plans) (the "Vestibules") are located immediately appurtenant to the Residential Units, as shown on the Floor Plans set forth in Part II of the Plan. The Vestibules are identified as part of the Residential Units (and the square footage allocated to each Residential Unit listed on Schedule A is inclusive of the Vestibules). Vestibules are available for the exclusive use of the Residential Unit Owner of the Residential Unit to which such Vestibules are appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations as are in effect from time to time. Each Residential Unit Owner shall be responsible for all ordinary maintenance, repairs and replacements to the Vestibules appurtenant to its Residential Unit; however, the costs and expenses of any structural or extraordinary repairs or replacements (unless due to the negligence, misuse, neglect or abuse of such Residential Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Residential Unit Owner shall bear the entire cost thereof), shall be charged to all Residential Unit Owners as a Common Expense.

Personal property, equipment, furniture or furnishings and/or other installations (collectively, the "Installations") are expressly prohibited from being placed in such Vestibules. The Condominium Board (and other aforementioned parties) shall have the right and easement

(and the Unit shall be subject to such right and easement) to access Vestibules and Mechanical Rooms (defined below), in connection with any repair or maintenance work in the Building (e.g., accessing any paneling or any other areas of the Vestibule and/or Mechanical Room that may house equipment, facilities, conduits and the like). All proposed alterations, additions, improvements and repairs, including without limitation, installation of light fixtures and cosmetic decorations (such as, but without limitation, the hanging of wallpaper and painting) and the like to Vestibules shall require the prior written approval of the Board and shall be treated as any other alteration to a Residential Unit under the Condominium Declaration and By-Laws.

Without limiting the foregoing, Purchasers are advised that, with respect to Vestibules, the following rules and regulations shall apply and the Board may adopt such additional rules and regulations regarding same from time to time: Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Vestibules must be kept clean and free from debris and obstructions. In no event shall any Residential Unit Owner be permitted to enclose any Vestibule without the consent of the Board and without complying with all alteration requirements set forth in the By-Laws. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed in a Vestibule. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed in any Vestibule.

Mechanical Rooms

Within each Residential Unit there is a mechanical room (identified as "mech" on the Floor Plans) (the "Mechanical Room") that is part of (and included within the square footage of) such Residential Unit. Limited personal property that is light weight and easily moveable may be stored in available space in the Mechanical Room, however, there are access panels to equipment and utilities serving the Building in the Mechanical Rooms that the Condominium Board (and its agents, maintenance person, repair persons, other contractees, etc.), will routinely require access to, and accordingly, the Mechanical Rooms and access panels therein must be easily accessible to the Condominium Board. It shall be each Residential Unit Owner's obligation to ensure that access to and within the Mechanical Room within its Residential Unit are accessible at all times and that same is kept free and clear of debris and obstructions. Residential Unit Owners are not permitted to close off or block in any manner access to these access panels at any time. In the case that access to a Mechanical Room or access panel within is blocked or closed off, the Board shall have the right, at the Unit Owner's sole cost and expense, and without any liability, to remove any installations made and re-establish access as it deems necessary and appropriate. The Residential Unit Owners right to make alterations, improvements or repairs to this portion of its Residential Unit is subject to the Condominium's easement rights and the terms above.

In the event that the Board is required to make any modifications to a Unit (or portion thereof) in connection with the performance of its maintenance and Repair obligations under the Condominium Documents (by way of example only, and without intending to limit the generality of the foregoing, altering/opening up a wall to access a pipe, conduit or other piece of equipment), the Board's sole obligation shall be to restore the Unit to good order and condition, however the Board shall not be required to restore improvements or decorations that the Unit Owner had made to such part of the Unit (by way of example only, the Board will not be obligate to repair or replace wallpaper, other installations or decor that the Board may have had to remove in connection with its access).

(See the Section of the Plan entitled "Procedure to Purchase" and the Form of Agreement included as Exhibit 1 in Part II of the Plan.)

4. Unique Structural Elements; Fire Escapes; Landmark District

Certain of the Units contain structural elements (by way of example only columns, or bracings installed on exposed brick walls) that are integral to the structure of the Building and cannot be removed, altered, modified or interfered with in any way whatsoever without the express written consent of the Board and the Board's architect's, engineer's, and other professional consultants, in their sole and absolute discretion. All alterations must be performed pursuant to the terms of an alteration agreement between the Unit Owner and the Board as described in the By-Laws included in Part II of the Plan (which among other things, will require the Unit Owner to procure insurance as is reasonably determined by the Board, require that the Unit Owner provide certain indemnities in respect of such work and require any successor Unit Owner to assume, in writing, simultaneously with the conveyance of such Unit, the liabilities in respect of such work). Any costs incurred by the Board (including without limitation, reasonable attorney's fees, engineer fee's and fees of other professional consultants) shall be borne solely by the Unit Owner seeking to make such alteration.

There are fire escapes running up and down the exterior façade of the Building, which are designated as General Common Elements of the Condominium, which the Condominium Board is obligated to maintain in accordance with the terms of the Condominium Documents, in accordance with all applicable law, including any laws or regulations that may be promulgated by the Landmarks Preservation Commission. Unit Owners are not permitted to access, use, alter, decorate or take any actions whatsoever in respect of the fire escapes for any reason whatsoever.

The Building is located in the Tribeca East Landmark District. Sponsor does not anticipate that the location of the Building being in a landmarked district will result in increased costs to the Unit Owner with respect to its interior alterations; however, it does require, among other things, that the exterior aesthetic of the Building be maintained to be keeping with the character of the neighborhood, which may result in additional costs being incurred by the Condominium Board, the cost of which shall constitute a Common Expense.

(See the "Description of Property and Building Condition" in Part II of the Plan for further discussion.)

5. Virtual Doorman; Apartment Access

The Building will not be staffed with an in-person lobby attendant or doorman. A 24/7 virtual doorman will be installed at the entrance to the Building on Lispenard Street. The virtual doorman is a building-wide system that integrates surveillance and access control to remotely grant access for visitors and delivery persons. Digital cameras, intercom and access control devices enable live operators to remotely monitor the Property and control access to the Property. The video intercom enables a two-way audio and video conversation between the visitor and live virtual doorman operator. Purchasers are advised that the virtual doorman is not a security or alarm system and is not intended to function as such.

(See the "Description of Property and Building Condition" in Part II of the Plan for further discussion.)

6. Control by Sponsor; First Meeting

The powers and duties necessary for or incidental to the administration of the affairs of the Condominium will be vested in the Condominium Board. Sponsor will be entitled to designate all of the members of the Condominium Board until the date that there are no remaining Unsold Residential Units (the "Initial Control Period").

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

Sponsor may generally exercise veto power over expenses of the Condominium for a period ending not more than the earlier of five (5) years after the First Closing or whenever Unsold Units constitute less than twenty-five percent (25%) of the Common Interest, whichever is sooner; provided, however, that Sponsor will not exercise veto power over expenses described in the First Year's Budget, or over expenses required: (i) to comply with applicable Legal Requirements; or (ii) to remedy any notice of violation; or (iii) to remedy any work ordered by an insurer.

The Condominium Board shall consist of three (3) members, two (2) of whom shall be elected by the Residential Unit Owners (subject to Sponsor's right to designate both of the members during the Initial Control Period) and one (1) member to be designated by the Commercial Unit Owner. The Commercial Unit Owner shall at all times have the right to designate

its one Board member as aforesaid (even if Sponsor or its designee owns such Unit). Therefore, until the expiration of the Initial Control Period, if Sponsor owns the Commercial Unit, Sponsor shall have the right to designate all of the members of the Board, all of whom may be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Unit Owner(s).

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

As a result of the foregoing, there is no provision in the By-Laws for a majority of the Condominium Board to be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principal within two years after the First Closing. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. (See the Sections of Part I of this Plan entitled "Control by Sponsor" and "The Condominium Board" for further discussion.)

7. Purchaser Deposits; Defaults by Purchasers

At the time a purchase agreement for the purchase of a Unit (an "Agreement") is executed, the Purchaser thereunder is required to make a payment in an amount equal to twenty percent (20%) of the purchase price set forth therein (the "Deposit"). Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to fifty percent (50%) of the applicable purchase price. As of the initial filing date of this Plan, the Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

In the event a Purchaser defaults under an Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon, if any. For purposes of the Plan and the Agreement, the term "time being of the essence" and terms of similar import shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and constitutes a default entitling Sponsor to the remedies set forth in this Plan and the Agreement.

It is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall

constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor as Sponsor's sole and exclusive remedy.

In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. Additionally, in the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

(See the Sections of Part I of this Plan entitled "Interim Occupancy Agreements," "Procedure to Purchase," "Effective Date" and "Terms of Sale" for further discussion.)

8. <u>No Financing Contingency</u>

A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representation whatsoever as to the terms, availability, or cost of any mortgage or other financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited and it could expire before the closing date, and Sponsor shall have no liability as a result of any scheduling, rescheduling or adjournment of closing beyond the expiration of a loan commitment. Any Purchaser who executes an Agreement and does not obtain financing may lose his or her Deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of an Agreement.

Pursuant to existing law and regulation a sponsor of a condominium offering plan may declare such plan effective by entering into contracts for a minimum of fifteen (15%) percent of the apartments in the building. Therefore, even if the Plan is declared effective with a minimum number of contracts (here, one (1) Residential Unit), it is possible that Sponsor may be able to establish the Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit.

Purchasers should note that in the current real estate market, banks and other lenders often impose various restrictions on purchase financing. Such restrictions often include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building or group of buildings, which percentage in some cases may be as high as seventy percent (70%). Moreover, some lenders will not provide financing in a building or group of buildings where an investor or single unit owner other than the original sponsor has an ownership interest of ten percent (10%) or more. It also may be difficult for a Unit Owner to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

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

9. Waiver Period

Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of certain or all of the Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building, and if implemented, commence the collection of certain, but not all, Common Charges as time progress, all as Sponsor determines in its sole discretion (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums that are the obligation of the Condominium Board. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B. Sponsor will not fund the contingency during the Waiver Period. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, insurance that Unit Owners are obligated to procure under the By-Laws, as well as any other expenses customarily attributed to unit owners in accordance with the Common Interest of their Units or as otherwise set forth in the Plan. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period, including the anticipated period of delay in a closing notice to Purchasers and in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor will provide thirty (30) days prior written notice to Unit Owners disclosing the expiration of the Waiver Period and shall subsequently file an amendment to the Plan disclosing the expiration of the Waiver Period; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as required by governing Department of Law regulations.

(See the Sections of Part I of this Plan entitled "Schedule A" and "Control by Sponsor" for further discussion.)

10. Interim Service Period

Prospective Purchasers are advised that until approximately eighteen (18) months after the first closing of title to a Unit pursuant to an Agreement (the "First Closing"), some of the services and facilities described in the Plan may not be available (which may include a full staff of building personnel). Purchasers are also advised that during such period and beyond, various systems that services the entire Building, including without limitation, water supply, heating, ventilating may be incomplete and may be disrupted temporarily and from time to time; however, given the fact that the Building is constructed and is currently operational, Sponsor does not anticipate extensive disruptions, but Purchasers are advised that this may occur as work is being performed to the Units. The interim level of staffing will at all times during this period be commensurate with the levels of occupancy from time to time and adequate to properly maintain the Building. (See the Section of Part I of this Plan entitled "Description of Property and Improvements" for a more complete discussion).

11. Additional Building Work

Construction in general is a complicated process which requires the coordination of numerous concurrent tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems, all of which is subject to unanticipated delays and difficulties and necessarily involves noise, disruption and inconvenience. Thus, for a period of time following the First Closing (through, including and beyond the closing of title to any particular purchaser's Residential Unit), work should be expected to be undertaken and continue by or on behalf of individual Residential Unit Owners within their Residential Units (to perform custom renovations or build-outs, etc.) and/or by Sponsor. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time, making adjustments and performing various other tasks related to the completion of work, fitting out of, and moving into, the Residential Units and other portions of the Building. The Residential Passenger Elevator and personnel may be taken out of service and diverted to facilitate construction during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with work being performed in and to the Units. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed, provided that noise and vibrations shall not violate applicable laws and codes. Even where such alterations are permitted, the Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. If any Residential Unit Owner improperly commences any such alterations in violation of the terms and conditions set forth in subsection 6.7 of the By-laws, or fails to comply with the reasonable requirements of Sponsor in connection with the same, Sponsor shall be entitled to cause such work by such Residential Unit Owner to be halted, including, without limitation, causing the Managing Agent to deny access to the Building to the Residential Unit Owner's workers and suppliers, until such Residential Unit Owner so complies. The cost and expense of any such work so performed shall be borne by such Residential Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor. Moreover, any Residential Unit Owner performing alterations shall indemnify, defend and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of a Legal Requirement as a result of such work or the failure to timely make all appropriate governmental

filings in connection with the same. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

(See the Section of Part I of this Plan entitled "Description of Property and Improvements").

12. Scheduling of Closings.

Sponsor contemplates that, unless delayed by a Force Majeure event, closings of title to Residential Units to begin in or about July 1, 2024.

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that (i) in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur by the date which is 12 months after July 1, 2024, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then, subject to the following sentence, in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned within a reasonable period of time. Notwithstanding the foregoing, if the Plan is amended to provide for a later projected date for the First Closing, Purchasers will only be entitled to rescission (as described in the immediately preceding sentence) if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the First Closing occurs within the First Year of Condominium Operation, the Sponsor may schedule the closings of title to other units significantly later than such date.

The Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Purchasers' rights as described in this paragraph are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

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

(See the Sections of Part I of this Plan entitled "Introduction," "Description of the Property and Improvements," and "Schedule A" for further discussion.)

13. Prohibition Against Advertising

Purchasers are prohibited from listing their Residential Units for resale or rent with any broker or otherwise advertising, promoting or publicizing the availability of their Residential Units for sale or rent prior to the closing of title thereto. Any such listing of its Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by a Purchaser or its agents or representatives prior to such Closing date shall be an Event of Default (as defined in the Agreement) under such Purchaser's Agreement, entitling Sponsor to remedies set forth therein. In addition, Purchaser may not and shall not advertise, list for sale or sell its Residential Unit for twelve (12) months after acquisition of the Residential Unit (i.e., the transfer of title by Sponsor to Purchaser) and Purchaser shall not, without the consent of Sponsor list for rent or lease its Residential Unit for twelve (12) months after acquisition of the Residential Unit, without the prior written consent of Sponsor, which shall be granted or denied in Sponsor's sole discretion. Any such conveyance or leasing in violation of the foregoing will be voidable by Sponsor, and shall be an Event of Default under such Purchaser's Agreement. The foregoing shall only apply for so long as Sponsor is the owner of a Residential Unit. (See the Section of Part I of this Plan entitled "Assignment of Agreements" in Part I of the Plan and Exhibit 1 in Part II of the Plan for further information.)

14. No Bond or Other Security

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

15. Sponsor's Right to Lease Unsold Units

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. As a result, Purchaser may be acquiring a Unit that has been previously occupied, but, unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Once an Agreement is signed for a Unit and for so long as such Agreement is in effect, such Unit may be occupied by the Purchaser listed in the Agreement. In addition, because Sponsor has the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more units than the fifteen (15%) of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium and the First Annual Meeting may

never occur. As of the date hereof, all the Residential Units are vacant. (See the Sections of Part I of this Plan entitled "Introduction," "Changes in Prices and Units" and "Rights and Obligations of Sponsor" for further discussion.)

16. Changes in the Commercial Unit

Sponsor and any successor Commercial Unit Owner will have the right to alter, divide, subdivide and combine portions of the Commercial Unit, subject to the provisions of all applicable laws and ordinances, and the Declaration and By-Laws. (See the Section of Part I of this Plan entitled "Commercial Unit" in Part I of the Plan for further discussion.)

17. Transfer Taxes; Mansion Taxes; Closing Costs

Purchasers shall be obligated (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax (NYC RPTT) and New York State Real Estate Transfer Tax (NYS RETT) notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to NYC RPTT. NYS RETT, Mansion Tax and Supplemental Tax will not include the amount of NYS RETT paid by the purchaser in calculating the consideration subject to such tax. Currently (as of the date of the filing of this Plan), for the purchase of a single residential unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is currently $2 for each $500 (or fractional part thereof) of the consideration paid for a residential unit, and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit if the consideration for such Residential Unit is $3,000,000 or more. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently 1% of the total consideration paid when such consideration is $1,000,000 or more, and a supplemental tax pursuant to Section 1402-b of New York State Tax Law ("Supplemental Tax") if the total consideration for such Residential Unit is $2,000,000 or more, which tax by law is the primary obligation of the Purchaser. The chart below sets forth the aggregate rate of Mansion Tax and Supplemental Tax based on the consideration paid for a Residential Unit. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments. The purchase price together with any other amounts paid by the Purchaser (but excluding NYS RETT to the extent described herein) which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax, Mansion Tax and Supplemental Tax purposes.

Consideration amount	**NYS Mansion and Supplemental Tax Aggregate Rate**
Under $1 million	Not subject to tax
At least $1 million, but less than $2 million	1%

At least $2 million, but less than $3 million	1.25%
At least $3 million, but less than $5 million	1.5%
At least $5 million, but less than $10 million	2.25%
At least $10 million, but less than $15 million	3.25%
At least $15 million, but less than $20 million	3.5%
At least $20 million, but less than $25 million	3.75%
More than $25 million	3.9%

In addition to transfer taxes, Mansion Tax and Supplemental Tax, Purchasers shall also be obligated to pay at closing any tax on the transfer of a Residential Unit enacted after the date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind.

The purchase price, transfer taxes (to the extent described herein) and any other consideration paid for a Residential Unit will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at the total consideration for transfer tax, Mansion Tax and Supplemental Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors. Effective as of July 1, 2021, NYS RETT, Mansion Tax and Supplemental Tax will not include the amounts of NYS RETT paid by the purchaser calculating the consideration subject to such tax. See the Section of the Plan entitled "Closing Costs and Adjustments" for details.

Under the New York City Department of Finance's current policies, where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the higher New York City Real Property Transfer Tax non-residential rates will apply, i.e., where the consideration is $500,000 or less, the rate would be 1.425% and where the consideration is in excess of $500,000, the rate would be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. Thus, in connection with a bulk sale or otherwise, it is

possible that a Purchaser could be required to pay the higher non-residential rate for purposes of the New York City Real Property Transfer Tax and also pay the Mansion Tax and Supplemental Tax. Sponsor makes no representation as to which transfer tax rates will apply at the time of closing of a particular Residential Unit. Moreover, in the event Sponsor makes a bulk sale of Unsold Units, the transferee is entitled to and bound by those additional rights and obligations (including the obligation to make good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

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

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

18. Working Capital Fund

The Purchaser of each Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months' Common Charges then in effect for the Unit pursuant to the budget. The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board.

No reserve fund is being established for the Condominium for use by the Condominium Board by Sponsor or otherwise, and the Condominium Board in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). There is no warranty in effect covering the roof, nor is there any material or labor warranties in effect with respect to the roof. It is anticipated that there are approximately 12 years of remaining useful life in the roofing system, however, this is a projection only that may change based on a variety of factors beyond the control of Sponsor and accordingly, Sponsor makes no representations, warranties or

guarantees regarding such projected remaining useful life. The Budget for the First Year of Operation (Schedule B) provides a line item for a contingency to cover unanticipated expenses, however, Sponsor makes no representations, warranties or guarantees as to whether such contingency will be sufficient to cover any unanticipated expenses. The Condominium Board may decide in the future to establish a reserve fund, supplement the contingency fund initially established or pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners. Each Unit Owner would be individually liable for the amount of such special assessment against, or increase payable by the Condominium Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

No representation is made that the Working Capital Fund will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners. Sponsor will not separately contribute to the Working Capital Fund.

(See Sections entitled "Working Capital Fund" in Part I of the Plan for further discussion.)

19. Real Estate Taxes

The estimated real estate taxes payable in respect of each Unit(s) were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Condominium Operation, as estimated by Sponsor's real estate tax consultant, will be allocated to each Unit on the basis of their proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units using a different methodology, and, if so, Units having the same or similar Common Interests may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, Schedule A sets forth projected real estate taxes for the First Year of Condominium Operation. The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation is based upon a letter dated March 13, 2024 prepared by Marcus & Pollack LLP, Sponsor's real estate tax attorneys a copy of which is included in in Part II of the Plan (the "Real Estate Tax Opinion"). The Real Estate Tax Opinion takes into account the following assumptions and projections in respect of the First Year of Condominium Operation: (a) the First Year of Condominium Operation will be comprised of the six (6) months of the 2024/25 tax year and six (6) months of the 2025/26 tax year; (b) a projected taxable total assessed value for the Units of $2,539,792, for 2024/25 and a taxable total assessed value for the Units of $2,617,462 for 2025/26; and (c) an assumed tax rate of 12.502%, which results in estimated aggregate real estate taxes for the Residential Units for the First Year of Condominium Operation of $317,525. Notwithstanding the foregoing, the New York City tax authorities may assess taxes against the Building in a different manner and in a different amount than that assumed by Sponsor's real estate tax consultant and, if so, Unit Owners may pay significantly different real estate taxes than those set forth on Schedule A. Sponsor can only estimate, based on reasonable, professional third party expert assumptions, what the real estate taxes for each Unit will be. Only the New York City tax authorities will make this determination upon the filing of tax lots. (See the Sections entitled "Notes to Schedule A" and "Real Estate Taxes" in Part I of the Plan for further discussion.)

20. Closing Fees and Costs

All legal costs, fees and expenses charged by each Purchaser's attorney shall be the sole responsibility of such Purchaser. In addition, each Purchaser shall also be responsible for payment of the following fees to Sponsor's closing attorneys, Kramer Levin Naftalis & Frankel LLP ("Sponsor's Closing Counsel"), in connection with the closing of title to such Purchaser's Unit. For each Unit, the sum of $4,200 shall be payable to Sponsor's Counsel as a per unit base closing fee. If Purchaser obtains mortgage financing, an additional fee of $850 shall be payable by Purchaser to Sponsor's Counsel. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), provided that Sponsor consents, the closing may be held either (y) elsewhere in Manhattan, provided that an additional travel fee of $700 is paid to Sponsor's Counsel; or (z) in a borough other than Manhattan, provided that an additional travel fee of $875 is paid to Sponsor's Counsel. In addition: (i) if, through no fault of Sponsor, the closing is adjourned (or is not concluded in its entirety on the day it commences), the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $400 for each adjournment (or continuation) to prepare and/or coordinate the new closing (or continuation); (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,500, payable in advance; (iii) $300 for the preparation of ACRIS transfer documents required by the City of New York; and (iv) $875 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser. (See the Section entitled "Unit Closing Costs and Adjustments" in Part I of the Plan for further discussion.)

21. No Warranty

Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B ("GBL 36-B") is not applicable to this offering as it is only applicable to the sale of new homes. (See the Section entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further discussion.)

22. Insurance

The Condominium Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any Unit, element of or property contained in any Unit or any liability with respect to occurrences in or about each Unit or the. Consequently, **all Unit Owners are required, at the Unit Owner's own cost and expense, to obtain and maintain in full force and effect (i) a liability policy insuring against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage)**

occurring in, on or about such Unit Owner's Unit and in the case of a Residential Unit, affording protection of at least $1,000,000 per occurrence, (ii) umbrella liability coverage of at least $3,000,000, and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, to, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments) as well as for any fixtures, furnishings and personal property that are placed or installed in a Residential Unit by the Residential Unit Owner having exclusive use thereof. The limits of liability set forth in (i) and (ii) above may be increased by the Condominium Board from time to time provided that for so long as Sponsor owns at least one (1) Unsold Unit, any change or elimination of the requirements set forth above 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 Residential Unit and thereafter, whenever requested by the Condominium Board or Managing Agent. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. (See Sections entitled "Schedule B" and Rights and Obligations of the Unit Owners and the Condominium Board of Managers" in Part I of the Plan for further discussion.)

23. Waiver of Diplomatic or Sovereign Immunity

Purchasers will be required to waive expressly any and all immunity from suit by Sponsor and/or the Condominium Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Condominium Board an amount equal to two (2) years' estimated Common Charges. (See Sections entitled "Procedure to Purchase" and "Terms of Sale" in Part I of the Plan for further discussion.)

24. Increase or Decrease in Common Interest

The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Unit. Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify an immaterial increase or decrease in the aggregate Common Interest appurtenant to the Residential Units and a corresponding decrease or increase in the Common Interest appurtenant to the Commercial Unit. In such event, the Common Interest appurtenant to each individual Residential Unit would be adjusted (by a minimal amount) pro rata. Sponsor expressly reserves the right, from time to time prior to the First Closing, to effect such a change in the Common Interests and to amend the Plan so as to reflect the same. In no event, however, will the Common Interest of any Residential Unit be materially increased as a result of any of the foregoing. (See Sections entitled "Schedule A," Rights and Obligations of the Unit

Owners and the Condominium Board of Managers," and "Opinions of Counsel" in Part I of the Plan for further discussion.)

25. Reservation of Air/Development Rights

All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, or which may otherwise become available to the Property in the future (collectively, the "Air Rights" or "Development Rights") shall be allocated to and made a part of the Commercial Unit. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the Condominium Board or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, the Commercial Unit Owner, as a result of such reservation, may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale and/or merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA").

The Air Rights allocated to the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In addition, the Sponsor has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Building. As of the date of acceptance of this Plan, there are no un-used Air Rights, which amount is subject to change.

(See Sections entitled "Rights and Obligations of Sponsor" and "Reservation of Air and Development Rights" in Part I of the Plan for further discussion.)

26. Building Mechanical Equipment

The Building incorporates sophisticated mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Units adjacent to or in the vicinity of equipment and equipment areas of the Building may perceive noise and/or vibration from the equipment. Sponsor is not performing any work to reduce levels of noise in the Units or Common Elements. Noise or vibrations produced by mechanical equipment shall not violate applicable law and codes. (See the Floor Plans and Description of Property and Building Condition, attached as Exhibits 4 and 5, respectively in Part II of the Plan, and the Section entitled "Description of Property and Improvements" in Part I of the Plan for further discussion.)

27. Perceptions within the Condominium

Due to the construction and location of the Property, and each Units close proximity to the street level of the Property and to each other, Purchasers are advised that Sponsor anticipates that exterior and interior noises, vibrations and other disturbances may be heard or perceived within

the interior of the Units and elsewhere within the Property. The foregoing may cause a disturbance and nuisance to the Unit Owners based upon their individual perception. Sponsor makes no representations or warranties, and is not responsible whatsoever, and shall have no duty to minimize, reduce or eliminate any noises, vibrations or disturbances that may be heard or perceived from or around within the Condominium.

Purchasers are advised that the Rules and Regulations provide that unless expressly authorized by the Board in each case, at least eighty percent (80%) of the floor area of each Residential Unit that is directly above another Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material. See Special Risk 30 regarding details pertaining to wood flooring in the Unit

((See the Section entitled "Description of Property and Improvements" in Part I of the Plan and the Description of Property and Building Condition and Condominium By-Laws included in Part II of the Plan for further discussions.)

28. Floor Area

As described in Notes to Schedule A, the square foot area of the Units set forth in the floor plans and in Exhibit B to the Declaration (and Schedule A to the Plan) were obtained by using the method customarily used in New York City to measure Condominium apartments as more particularly set forth in the Architect's Report. The approximate indoor floor area of each Unit has been measured Each Unit consists of the area measured horizontally on each of one or more floors from the exterior side of the exterior walls of the Building to the midpoint of the interior walls and partitions separating the Unit from corridors, stairways, elevator shafts, other General Common Elements, Limited Common Elements or other Units, or to the opposite exterior side of the exterior walls of the Building, as the case may be. Columns and mechanical pipes and shafts and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub floor materials) to the underside of the floor slab above. In any instance where a floor of a Unit is above or below a floor of the same Unit, the concrete floor slab between such floors are a part of such Unit. The floor area occupied by any Common Elements within a Unit (such as the Building's façade and exterior walls, vents, chase walls or areas, conduits, shafts, pipes and any Structural Components) have been included in the computation of the floor area of such Unit, but such Common Elements shall not be considered part of that Unit. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces and the actual usable floor area for each unit would be significantly less than that set forth in Schedule A due to the use of the methodology described above. The stated method of measurement used is applicable to all Residential Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. (See Section entitled "Schedule A" in Part I of the Plan for further discussion.)

29. Sponsor's Right to Use Facilities

Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units). (See Section entitled "Rights and Obligations of Sponsor" of Part I of the Plan for further discussion.)

30. Treatment of Wood Floors

The Residential Units will be delivered with existing wood floors in their "as is" condition. Residential Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at http://www.nwfa.org/. All wood products should be maintained in accordance with manufacturer's recommendations.

Wood is also subject to changes as a result of humidity, including seasonal changes in humidity, as well as chipping, scratching, cracking, cupping and curling. Sponsor makes no representation or warranty that the wood floors will maintain their appearance after they are subject to further wear and tear, including without limitation, bleaching due to sun exposure. Any exposure to the sun will subject the floors to bleaching and Sponsor makes no representation about the color or cohesion of the floor. In the opinion of Sponsor's construction professionals, relative humidity should be between thirty-five percent (35%) and forty percent (40%) to avoid excessive shrinkage, cracking, swelling or cupping.

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

31. Maintenance of Stone Surfaces

Maintenance and cleaning of any stone surfaces by Residential Unit Owners should be done in accordance with the recommendations of the manufacturer. (See "Description of Property and Improvements" in Part II of the Plan.)

32. Special Allocation of Certain Common Expenses

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the General Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owner, who will receive in certain instances greater or fewer services from the Condominium, will bear an allocated share of the expenses of the Condominium, all as described

in Schedule A and Schedule B – "Projected Budget for First Year of Condominium Operation" and Article 6 of the Condominium By-Laws in Part II of the Plan. Such allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to the Commercial Unit Owner) or lower (if greater services are being provided to the Commercial Unit Owner) shared expenses of the Condominium.

(See the form of Condominium Declaration and By-Laws included as Exhibits 6 and 7 in Part II of the Plan.)

33. Child Safety Window Guards

Residential Unit Owners must notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in a Unit. Purchasers are advised that certain child safety window guards are installed in certain Residential Units. Notwithstanding, in the event child safety window guards are not installed, each Residential Unit Owner shall be responsible to install at such Residential Unit Owner's expense, child safety window guards or window bars in all windows of the Unit, as per New York City Code, and shall not remove them until permitted by law and, in any event, without the full knowledge of the Managing Agent.

(See the Section of the Plan entitled "Description of Property" for further discussion.)

34. The Commercial Unit

The Commercial Unit is not presently being offered for sale under the terms of this Plan.

The Commercial Unit Owner shall be obligated at all times to maintain all necessary permits and approvals required by the New York City Department of Buildings in connection with the Commercial Unit Owner's use, operation and alteration of the Commercial Unit, and, if required by applicable Legal Requirements, will cause the certificate of occupancy as it pertains to the Commercial Unit to be duly amended in the event of an alteration, subdivision, or combination of all or any portion of the Commercial Unit as may be permitted under the terms of the Condominium Documents.

The Commercial Unit Owner and any tenant or tenants (or subtenant(s)) of the Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have an easement, to use the Residential Passenger Elevator as a means of access from the First Floor to the Cellar only in the case that transportation of one or more persons is necessary to comply with ADA requirements and for purposes of accessing the 5th floor to access stairs at such level leading to the roof.

As of the date hereof, the Commercial Unit is occupied by retailer Stellar Works USA, Inc. ("Stellar Works"). Sponsor makes no representations or warranties whether Stellar Works will continue to occupy the Commercial Unit or any future tenancy or use of the Commercial Unit.

(See the Section of the Plan entitled "Non-Residential Unit" in Part I of the Plan and the Condominium Declaration and By-Laws included as Exhibits 6 and 7 in Part II of the Plan).

35. Certification by Sponsor and Sponsor's Principal

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

36. Title Company Reporting

On January 13, 2016, the U.S. Financial Crimes Enforcement Network ("FinCEN") issued an order (later publicly supplemented, the most recent supplement being issued on April 29, 2021 and taking effect on May 5, 2021; as same may be further on July 22, 2016, February 21, 2017, August 22, 2017, March 20, 2018, November 15, 2018, May 14, 2019, November 8, 2019, May 8, 2020, November 5, 2020, May 5, 2021, November 1, 2021, April 29, 2022, October 26, 2022, April 25, 2023 and October 22, 2023 as supplemented, the "Order") requiring title companies to collect and report certain information about persons involved in residential real estate transactions in Manhattan for closings occurring until the expiration of the effective period of such Order, currently April 18, 2024 (subject to extension). Pursuant to the last publicly published version of the Order, title companies are required to disclose the identities of the beneficial owner(s) or holder(s) of 25% or more of the direct or indirect equity or beneficial interests in a purchasing entity in residential real estate transactions where: (a) Purchaser is a legal entity as defined in the Order; (b) the total purchase price is in excess of $300,000; (c) Purchaser does not obtain external financing; and (d) the Deposit or Balance is made, at least in part, using currency, a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer or virtual currency. Purchasers and their attorneys should confer with Purchaser's title insurance company immediately to determine the applicability of these new requirements to this transaction and, to the extent the same are applicable, make arrangements with the title company to provide it in advance of closing with any necessary information in order to permit the title company to insure title and comply with the title company's closing and reporting requirements under the Order. Sponsor shall have no obligation whatsoever in connection with satisfying any requirements of Purchaser's title insurer or otherwise with respect to the Order; and Purchaser will be fully liable for any additional costs or delays to closing relating thereto. As of the last publicly published Order, as used herein, "legal entity" is defined in the Order as including United States or foreign corporations, limited liability companies, partnerships or other similar business entities., other than a business whose common stock or analogous equity interest are listed on a securities exchange regulated by the Securities Exchange Commission ("SEC") or a self-regulatory organization registered with the SEC, or an entity solely owned by such a business. Purchasers should consult with their attorneys and their title company to fully understand the reporting requirements of the Order.

(See the Section of the Plan entitled "Procedure to Purchaser" in Part I of the Plan for further discussion).

37. Smoking Policy

Smoking and using electronic cigarettes is prohibited in any Common Elements within the interior of the Building as required by all applicable laws and is prohibited in the Residential Units. Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco. Notwithstanding the foregoing, Residential Unit Owners and their respective tenants or other occupants and all of their respective guests shall not permit smoke to escape from a Residential Unit or enter any other Residential Unit or interior Common Elements. Unit Owners and their respective tenants or other occupants and all of their respective guests shall not smoke in the Units if they are unable to prevent the smoke from entering the interior Common Elements or another Unit. The Board shall have the right to seek and obtain a court order enjoining the occupant of a Residential Unit from smoking therein or thereon if the smoke escapes the Residential Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Residential Unit if the smoke escapes from the Residential Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board, and (ii) reimbursement of any fees or expenses incurred by the Condominium or the Board to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

(See the Form of Agreement included as Exhibit 1 in Part II of the Plan).

38. Lead Paint

To the best of Sponsor's knowledge, the Building was initially constructed in approximately 1860-1861. Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for lead paint. (See the Section entitled "Procedure to Purchase" in Part I of the Plan for further discussion).

39. Refuse and Recycling Disposal

There will be trash and recycling receptacle cans located within the Cellar of the Building. Each Unit Owner will be responsible for packing its trash and recyclables and bringing same to the Cellar in the basement and for disposing of same in the designated trash and recycling receptacles. All Unit Owners must carefully pack trash to ensure that all bags are securely closed, that trash is not left in any of the hallways or other public areas during transport and that once placed in receptacle bins, the bins are securely closed and trash is not exposed. Trash will be brought to the street for pick up by the Condominium's maintenance staff.

(See the Section of Part I of this Plan entitled "Description of Property and Improvements" for a more complete discussion).

40. Package Delivery

There will not be a separate package room at the Condominium, nor will there be a lobby attendant to receive packages. Delivery persons will be provided access to the lobby of the Building (either by the virtual doorman or a Unit Owner) and will drop packages in the lobby below mail boxes. Packages are delivered to the Building at the sole risk of the Unit Owners and the Condominium shall have no responsibility or liability whatsoever with respect to any deliveries.

(See the Section of Part I of this Plan entitled "Description of Property and Improvements" for a more complete discussion).

41. Transfer Tax Returns and Power of Attorney: Execution at Closing

Each Purchaser will also be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth as Exhibit 2 in Part II of the Plan. Failure by any Purchaser to deliver such documents at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

(See the Form of Agreement included as Exhibit 1 in Part II of the Plan).

42. E-Designation; Ongoing Monitoring of Property

An E-Designation / Restrictive Declaration for Hazardous Materials and Noise was placed on the property by the New York City Department of City Planning (DCP) as part of the Tribeca North Rezoning Action (CEQR# 10DCP039M). As part of the site remedial

In connection with the Hazardous Materials & Noise "E" Designation a "Notice of Satisfaction" dated August 8, 2017, was issued by the New York City Department of Environmental Protection (DEP) indicating its approval of the Hazardous Materials Remedial Action Plan (HMRAP) prepared by WDC Group LLC. The site was remediated in accordance with the scope of work presented in the HMRAP and as documented in that certain Hazardous Materials Remedial Closure Report (HMRCP), dated July 2017, prepared by WCD Group LLC.

As described in the Description of Property and Specifications of Building Condition in Part II of the Plan, as part of the site management plan, there is an ongoing long-term management of residual soil, including plans for operation, maintenance, inspection and certification of the performance of Engineering Controls and Institutional Controls. Inspection and Certification reports will be performed annually and are required to be submitted to OER by July 30 of each calendar year covering the prior calendar year (e.g., July 30, 2024 will cover the reporting period calendar year 2023-2024). Currently, the costs for inspections and certifications is approximately

$5,400 anually. As more particularly set forth in the By-Laws in Part II of the Plan, the Condominium Board will be responsible for ensuring compliance with all of the Engineering Controls and Institutional Controls and ensuring that inspections are scheduled and performed as detailed in the HMCRP, the cost of which shall be a Common Expense of all Unit Owners.

For properties that are subject to an E-Designation, the Department of Buildings requires a Notice of No Objection (NNO) from OER in order to approve all construction and work applications and issue work permits. OER reserves 30 days for review of NNO requests, however, in Sponsor's experience (but Sponsor makes no representations or guarantees regarding the same) applications are typically reviewed sooner. OER requires an administrative fee payment for its review and issuance of an NNO, currently in the amount of approximately $425.00. Sponsor has requested and OER has issued NNOs in connection with all DOB construction applications it has filed for the project. Unit Owners will be obligated to comply with such OER requirements in respect of any work they intend to perform to their respective Units. Additionally, as noted above, OER issued a Notice of Satisfaction in respect of certain remedial action performed by Sponsor. Copies of NNOs and the Notice of Satisfaction issued to Sponsor are available upon request for review by Purchasers.

As disclosed in the Description of Property and Specifications of Building Condition in Part II of the Plan, prior to the year 2018 the Building was previously designated for commercial occupancy classification. As disclosed in the HMRCP, the Property was occupied between 1933 and 2014 by the art supply retailer Pear Paint. The first to fifth floor as well as the cellar were utilized as commercial retail space. The first floor previously included a mezzanine level used as office space. Since 2018, when Sponsor undertook its initial renovations, the Property has been used for commercial and residential rental use.

(See the Section of the Plan entitled "Location and Area Information" in Part I of the Plan and "Description of Property and Building Condition" set forth in Part II of the Plan).

43. <u>Cellar</u>

The Cellar Level has less light and air than ordinary living space located at or above grade and is more susceptible to dampness

(See the Section of the Plan entitled "Description of Property and Building Condition" set forth in Part II of the Plan).

44. <u>Liability of Sponsor under Agreement</u>

The form of Agreement in Part II of the Plan states that Sponsor shall be excused from performing any obligation or undertaking provided for in the Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, pandemic, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. The foregoing notwithstanding, Sponsor may not limit any rights which Purchaser may have or be entitled to

pursuant to Article 23A of the New York General Business Law, NYCRR regulations, and the Plan, except as determined in a final decision or order by a court of competent jurisdiction or any governmental agency or by executive order.

Purchasers are advised that executing an agreement that includes the foregoing provision may impact the Purchaser's ability to close on his/her Unit in the time frame originally contemplated under the Agreement and may limit the Purchaser's remedies for any such delay in the closing date. The Attorney General strongly recommends that Purchasers consult with their attorneys regarding any risks associated with executing an Agreement containing the foregoing provision prior to executing the Agreement.

(See the Form of Agreement included as Exhibit 1 in Part II of the Plan).

45. Status of Asbestos Containing Materials and Requirements Pertaining to Future Alterations

Around such time that Sponsor acquired title to the Property, Sponsor performed certain interior work to the Residential Units, and in connection therewith, Sponsor retained a firm to engage a New York State Certified Asbestos Inspector to perform an asbestos survey for portions of the Property to determine the presence of asbestos containing material ("ACM"). ACM that was identified in the portion of the Property that was surveyed was abated in accordance with applicable legal requirements. A copy of such asbestos survey, issued by WCD Group on February 23, 2015, is annexed hereto as Exhibit 11 (the "Asbestos Report"). Any asbestos that was identified in the Asbestos Report was abated in accordance with applicable legal requirements at the time. Purchasers are advised that the findings disclosed in the Asbestos Report are for disclosure purposes only, and does not comprise a full survey of all suspect ACM at the Building. The Asbestos Report should be relied upon by any Unit Owner or the Condominium Board when determining the status of ACM at the Building. Sponsor makes no representations about the status of ACM in the Property or the Building.

Purchasers are advised that generally, any material that is not wood, glass, rubber or metal may be deemed a suspect ACM material. Notwithstanding the fact that the U.S. Environmental Protection Agency limited the use of ACM in fireproofing and insulating materials in 1973, and prohibited decorative uses in 1978, various building materials containing ACM continue to be manufactured worldwide and may be distributed to the United States.

The Condominium Board and any Unit Owner desiring to perform alterations in the future may be required to undertake certain precautionary measures prior to the commencement of any renovations that could disrupt a suspect ACM material, including: (a) conducting a full survey of all areas of the Unit or the Property, as the case may be, to be disturbed during renovations in conformance with the Asbestos Guidelines, regardless of whether such survey is otherwise required by law; (b) if applicable, the safe abatement or removal of any ACM identified in such survey, in each instance to be carried out in compliance with all applicable legal requirements and best practices relating thereto; and (c) abiding by any rules and regulations of the Condominium Board with regard to carrying out renovations where ACM is present.

As more particularly set forth in the Condominium Documents, Unit Owners performing alterations in their Units may be required to enter into an alteration agreement with the Condominium Board, which alteration agreement may contain certain provisions (the "ACM Provisions") requiring compliance by the Unit Owner with the foregoing requirements of this Special Risk 45, and may provide that: (i) prior to performance of any ACM abatement, the Unit Owner will notify the Condominium Board regarding the presence of ACM and submit to the Condominium Board for approval a proposed plan of abatement, as well as the name(s) and qualifications (including licenses, insurance policies and summary of qualifications) of any ACM consultant(s) and contractor(s) the Unit Owner intends to use for such ACM abatement, along with the name and qualifications (including licenses and evidence of insurance policies) of the contractors, handlers and ACM supervisors who are to perform ACM abatement; (ii) upon receipt of the Condominium Board's approval of the consultant(s), contractor(s), and plans for abatement, the Unit Owner will retain such consultant(s) and contractor(s) to abate the ACM in the Unit, in conformance with all federal, state and local legal requirements (collectively, the "Abatement"); (iii) in connection with such Abatement, the Unit Owner will furnish the Condominium Board with copies of all reports, tests and filings that are required by applicable legal requirements and with a copy of the final report which is to be provided by the Unit Owner's ACM consultant; and (iv) in the event the approved Abatement plan involves any removal of ACM, the Unit Owner will cause the ACM hauler to furnish the Board with lists of all dump locations to be used, and a certification that the dump sites are EPA-approved, and thereafter furnish to the Board all dump tickets and disposal manifests. Such alteration agreement shall require that: (a) the Unit Owner's consultant(s) and contractor(s) comply with all federal, state and local legal requirements relating to the Abatement and (b) the Unit Owner shall, to the maximum extent permitted by applicable legal requirements, indemnify the Sponsor, Condominium Board, the Unit Owners, and each of their agents, employees, and their respective affiliates, heirs, successors and assigns and any other party as determined by the Condominium Board, for any loss, cost, expense (including without limitation attorneys' fees and disbursements), damages, liabilities or fines arising from any failure by the Unit Owner or any consultant or contractor retained by the Unit Owner to fully conform to all of the requirements pertaining to the ACM Provisions or in the defense of any suit, action, claim or violation in connection with the Abatement; (c) in the event the approved Abatement plan involves removal of ACM, the Unit Owner shall cause its contractors to obtain in addition to any other insurance required under the alteration agreement, a hazardous materials transportation liability insurance policy with limits not less than $2,000,000 (or such other limit as determined by the Condominium Board, in its sole and absolute discretion, at the time in question) for bodily injury and property damage or, shall otherwise arrange for the Condominium Board, the Board, Sponsor and the Managing Agent, and any other parties determined by the Condominium Board, to be named as additional insureds on the policy of the contractor's waste transporter, which policy, in either case, shall specifically cover all claims and groups of people who might bring claims relating to ACM.

(See the Sections of Part I of the Plan entitled "Introduction" and "Rights and Obligations of Unit Owners" for further detail).

46. Heating and Cooling of Residential Units; Utilities

Each Residential Unit will have a variable refrigerant flow (VRF) system that exclusively serves such Residential Unit and shall be used to provide heating and cooling air to such Residential Unit. Each Residential Unit will have a dedicated air-cooled VRF condenser. VRF condensers will be located on the roof level, with such VRF system and all related facilities being considered part of the Unit it serves. Ceiling-hung ducted air handling units and appurtenances certain of which will be located within the dropped ceilings and others within exposed painted ducts in the ceiling. Each Residential Unit will be provided with a thermostat to control such temperature. Each Residential Unit Owner will be responsible, at its sole cost and expense (which shall be in addition to Common Charges) for maintaining, repairing and replacing its dedicated VRF system, condensers and related equipment serving same and each Residential Unit Owner will be required to use service and repair persons approved by the Board, and each Residential Unit Owner will have access to such VRF condenser serving its Residential Unit for such purposes, as further described in Sections 15.11 and 15.2 of the Declaration. For proper operation of the Building's systems, it may be necessary for the Board to access a Residential Unit to permit routine inspection, testing, and maintenance, as well as repairs and replacements and may require access to a Unit Owner's Unit or the Limited Common Elements appurtenant thereto in connection with the foregoing, and the Board shall have an easement in connection with the foregoing as further described in Sections 14.3 and 15.12 of the Declaration. Except in the event of an emergency, Residential Unit Owners shall receive a minimum of one days' notice from Sponsor, the Condominium Board, or their respective agents in connection with the foregoing rights of access. As of the date of this Plan, there are no remaining warranties on the VRF systems.

Hot Water Heaters in Residential Units

As more particularly described in the Architect's Report in Part II of the Plan, each Residential Unit contains an existing hot water heater installed in approximately July, 2016, and have, as of the date of such Architect's Report, been observed visually in good condition. There are not, as of the date hereof, any known repairs required. There are no remaining warranties on the hot water heater. Sponsor makes no representations or warranties regarding the condition of the hot water heaters or when same will require repair or replacement. Sponsor is not undertaking any repairs or replacement.

(See the Section of Part I of the Plan entitled "Description of Property and Improvements" and the Architect's Report and Forms of Condominium Declaration and By-Laws in Part II of the Plan for further detail).

PART I

A. INTRODUCTION

304-306 Canal Street LLC, a limited liability company organized and existing under the laws of the State of Delaware, hereby presents this Plan for the sale of the Residential Units. The Commercial Unit is not presently being offered for sale under the terms of this Plan. Sponsor reserves the right, in the future, to offer the Commercial Unit for sale pursuant to the terms of this Plan, or, alternatively, by making an application to the New York State Department of Law for a "no-action" letter or letter of similar advice in connection with the sale of the Commercial Unit.

The land and the building (collectively, the "Property") are situated on Lispenard Street, between Church Street and Broadway. The Property is known by the street address 57 Lispenard Street, New York, New York, and, upon the submission of same to a condominium regime shall be known as "The 57 Lispenard Street Condominium" (hereinafter, the "Condominium").*

The Condominium will initially consist of: (i) four (4) Residential Units (each, a "Residential Unit" and collectively, the "Residential Units") and certain General Common Elements, the Residential Common Elements and Residential Limited Common Elements (each as hereinafter defined) exclusively appurtenant thereto; and (ii) one (1) Commercial Unit (the "Commercial Unit"). The Residential Units are currently offered pursuant to this offering plan (this "Plan").

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

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

The Plan, including all Schedules set forth herein, and Parts A, B, C and D of the exhibits, together constitute the entire offer of Sponsor to sell the Units at the Condominium which are the

* Each capitalized term used in Part I of the Plan shall have the meaning ascribed thereto in the section of the Plan entitled "Certain Definitions", unless otherwise clearly indicated or defined elsewhere.

subject of this Plan. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying at a reasonable charge (i) at the offices of Sponsor, and (ii) at the Department of Law, 28 Liberty Street, New York, New York 10005.

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

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

1. The Property

On October 21, 2014, Sponsor acquired title to the Property, also known as Tax Lot 18 of Block 210. At the time Sponsor acquired title, the building was occupied by residential tenants and commercial tenants, each of which subsequently vacated the building following the natural expiration of their respective leases. The building is comprised of 5 stories above grade with one below grade cellar and, to the best of Sponsor's knowledge, was originally constructed in approximately 1860-1861 and was most recently renovated in 2018 (the "Building"). The Building has not been issued a landmark designation, however, the Building is located in the Tribeca East Landmark District. Sponsor does not anticipate that the location of the Building being in a landmarked district will result in increased costs to the Unit Owner with respect to its interior alterations; however, it does require, among other things, that the exterior aesthetic of the Building be maintained to be keeping with the character of the neighborhood, which may result in additional costs being incurred by the Condominium Board, the cost of which shall constitute a Common Expense.

The Condominium is initially anticipated to include:

(a) four (4) Residential Units located on Floor 2 through 5 (Penthouse), together with a residential entrance and lobby on the Ground Floor and certain other Residential Common Elements and Residential Limited Common Elements;

(b) one (1) Commercial Unit, located on a portion of the Cellar Level and a portion of the Ground Floor, which Sponsor currently anticipates will initially be used for commercial purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time; and

(c) various utility and service areas located throughout the Building.

The Common Elements and Residential Units are being offered and will be delivered in their existing "AS IS" "WHERE IS" condition in which they exist at the time a purchaser signs an Agreement, subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing. Sponsor will maintain each of the Units, and fixtures and personalty, up to the time of the transfer of title to the Unit in question. Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor is not intending on making any material upgrades to the Common Elements at this time.

Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor contemplates that, unless delayed by a Force Majeure event, closings of title to Residential Units to begin in or about July 1, 2024.

A permanent certificate of occupancy was issued for the Building On October 11, 2018 (CO Number: 122396040F).

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that (i) in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur by the date which is 12 months after July 1, 2024, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then, subject to the next sentence, in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned within a reasonable period of time. Notwithstanding the foregoing, if the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to rescission only if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the First Closing occurs within the First Year of Condominium Operation, the Sponsor may schedule the closings of title to other units significantly later than such date. The Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain.

PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

Purchasers' rights as described in the preceding paragraph are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

A resident manager or superintendent will not reside at the Property and accordingly, there is no Unit designated as a "resident manager's unit" at the Building. It is anticipated that a part-time superintendent, that also services other properties, will be engaged to perform routine maintenance at the Building several hours a week, as more particularly described in Schedule B (First Year's Budget). Notwithstanding the foregoing, all Legal Requirements with respect thereto will be complied with, including the Administrative Code of the City of New York, Section 27-2052, et seq ("Section 27-2052"). As more particularly set forth in Schedule B, the costs allocated for the janitorial/superintendent services (also referred to in the Schedule B as the "Resident Manager" services shall be shared between the Residential Units and the Commercial Unit in accordance with the allocations set forth in Schedule B).

As set forth in more detail in Section H entitled "Changes in Prices, Fees and Units: Residential Units" in Part I of the Plan, Sponsor reserves the right to change the number of Units from time to time by subdividing and/or combining Units, even after the Condominium is created, except with respect to a Unit as to which a binding Agreement has been entered into and remains in effect unless the Purchaser thereof consents in writing to such change.

Sponsor further reserves the right to change the number of Units by, among other things, subdividing and reconfiguring the Commercial Unit and, in connection with such subdivision and reconfiguration, redesignating in an amendment to the Declaration a portion of a subdivided Commercial Unit as a Residential Unit as further described in this Plan.

The Cellar Level has less light and air than ordinary living space located at or above grade and is more susceptible to dampness.

A detailed description of the Property is contained in the Section entitled "Description of the Property and Improvements" in Part I, Section B of the Plan.

2. **Features of Condominium Ownership**

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner is the fee owner of his or her Unit. Each such Unit Owner also owns, in common with the owners of all other Units, an undivided interest in the General Common Elements which, as more particularly set forth herein and in the Declaration, include all parts of the Property (other than the Units and Residential Limited Common Elements, and include, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of all Units or the Unit Owners and, in the case of the Residential Unit Owners, an undivided interest in the Residential Common Elements,. Each Residential Unit Owner will also have certain rights with respect to certain Common Elements (i.e., the Residential Common Elements and, in certain instances, the Residential Limited Common Elements) which are exclusive of the Commercial Unit Owner. (See the Floor Plans annexed as Exhibit 5 in Part II of

the Plan and the Section entitled "Schedule A" in Part I of the Plan for further detail regarding the limited common elements.)

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

As more particularly set forth in the By-Laws, a Residential Unit may generally be used only for residential purposes and, subject to compliance with the By-Laws and applicable laws, for a lawful home occupation. The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, gallery, commercial or office purposes. Neither the Condominium Board nor any other Person will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. Section 6 of the By-Laws provides that the Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. It is currently anticipated that the Commercial Unit will initially be used for retail purposes, although no representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners. (See Section entitled "Commercial Unit" in Part I for further discussion.)

Although the Condominium Board does not have the right to approve or disapprove purchasers in connection with a Unit Owner's sale of their Unit, with certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit, as the case may be, on the same terms as were offered by the Residential Unit Owner to the potential purchaser or lessee thereof. This right of first refusal in favor of the Condominium Board is not applicable to a sale or lease of the Unsold Units (by Sponsor or the owner of an Unsold Unit) or the Commercial Unit. For a more complete discussion of the foregoing, see Section entitled "Rights and Obligations of Unit Owners and the Condominium Board" in Part I of the Plan.

There is no limit on the number of Unit Owners who may purchase a Unit for investment, rather than personal occupancy, purposes. As such, there may always be a substantial percentage of Unit Owners who are non-residents of the Condominium. Residential Unit Owner-occupants and non-resident Residential Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(1)(iv) and 339(m) of the New York Condominium Act. The costs of operation and maintenance of the Condominium, including both those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole (such as expenses for insurance, repairs and maintenance of the Common Elements and various service contracts), will generally be borne by the Unit Owners in proportion to their respective Common Interests. The Commercial Unit Owner, who will receive in certain instances greater or fewer services from the Condominium,

will bear a properly allocated share of the expenses of the Condominium, all as described in Schedules A and B of the Plan and Article 6 of the By-Laws. The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are set forth in Schedule A. (See Section entitled "Schedule A" in Part I of the Plan.)

Operation of the Condominium will be vested in the Condominium Board, which will be elected by the Unit Owners and/or designated by Sponsor and the Commercial Unit Owner as described in the Plan and the By-Laws. As more particularly set forth in the By-Laws, the Condominium Board will determine the amounts of Common Expenses, will allocate Common Expenses among the Residential Units and the Commercial Unit, and will assess Unit Owners for Common Charges accordingly. For the avoidance of doubt, when Common Expenses are allocated solely to the Residential Unit Owners, each Residential Unit Owner shall bear the costs in accordance with its Residential Common Interest as set forth on Schedule A, unless expressly provided otherwise in the Declaration or By-Laws.

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

Residential Unit Owners must obtain the consent of the Condominium Board before altering their Residential Units in any way, subject to the further applicable provisions of the By-Laws. There are no limitations or restrictions upon the rights of the Commercial Unit Owner to decorate or alter its Unit except those imposed by applicable Legal Requirements or as expressly provided in the Declaration and/or By-Laws.

Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner satisfies all unpaid liens (other than any other permitted mortgages) against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units. However, a Purchaser's obligation to purchase a Unit pursuant to an Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Agreement whether or not such Purchaser has been able to obtain financing.

After the City of New York assesses as a separate tax lot each Unit and bills each Unit Owner, each Unit Owner will be responsible for paying the real estate taxes and assessments imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of, taxes and assessments imposed on other Units. Prior to the separate assessment of real estate taxes, same shall be deemed a Common Expense payable by all Unit Owners (payable to the Condominium Board (or Sponsor in the case that it advances payment on behalf of the Condominium)), in proportion to each Unit Owner's Common Interest.

In the opinion of Kramer Levin Naftalis & Frankel LLP, Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date

of this Plan, subject to certain limitations and qualifications, be entitled to deduct from his or her income for Federal, New York State and New York City income tax purposes:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that for taxable years beginning after 2017 and before 2026, the deduction of such taxes and all other state and local taxes as specified in Section 164 of the Code is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate; and

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

Prospective Purchasers should refer to the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" below, as well as to Sponsor's Counsel's Income Tax Opinion reproduced in Section U below for a more complete discussion.

The Condominium Board will be responsible for maintaining casualty and liability insurance with respect to the Common Elements, but excluding terrorism and mold coverage. See the Section entitled "Rights and Obligations of the Unit Owners and the Condominium Board of Managers" in Part I for a more complete discussion. The Condominium Board is not required to obtain or maintain any insurance with respect to damage by fire or other casualty to any element of or property contained in, on or to any Unit or any liability with respect to occurrences in or about each Unit. Consequently, all Unit Owners are required, at the Unit Owner's own cost and expense, to obtain and maintain in full force and effect (i) a liability policy insuring against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, on or about such Unit Owner's Unit affording protection of at least $1,000,000 per occurrence, (ii) umbrella liability coverage of at least $3,000,000, and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, to, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments) as well as for any fixtures, furnishings and personal property that are placed or installed in a Residential Unit by the Residential Unit Owner. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board will be on a "replacement cost" and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost. Further, as a result of current fluctuations in the insurance market, the Condominium Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the By-Laws.

3. Offering of Units for Sale

Sponsor hereby offers four (4) Residential Units for sale under, and as described in, the Plan. As more particularly described herein, the Commercial Unit is not currently being offered for sale pursuant to the terms of this Plan.

There are no limitations on who may purchase such offered Units. However, Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and

execute an Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, age, marital status or national origin, or as otherwise prohibited by applicable Legal Requirements. Notwithstanding the foregoing, Sponsor refusing to enter into an Agreement with a person that is listed as sanctioned by the United States Government shall not be deemed to be a discriminatory act.

The prices for the Units offered under the Plan are listed on Schedule A, entitled "Schedule of Offering Prices and Related Information." THESE PRICES AND FEES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, to rent or lease, rather than sell, the Units offered hereunder after consummation of the Plan. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. While the apartments were previously occupied, each Residential Unit will be delivered at closing free and clear of all leases and tenancies. In addition, there is no commitment to sell more Units than the fifteen (15%) percent of Units necessary to declare the Plan effective, and owner-occupants may never gain effective control and management of the condominium. As of the date hereof, all of the Units are vacant.

Purchasers should note that in the current real estate market, banks and other lenders often impose various restrictions on purchase financing. Such restrictions often include requiring that a certain percentage of apartments in a building or group of building be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold shares has not sold a substantial percentage of the Units in the building, which in some cases may be as high as 70%. Moreover, some lenders will not provide financing in a building where an investor or single unit owner other than the original sponsor has an ownership interest of 10% or more. It also may be difficult for a Unit Owner to resell its Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

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

The estimated Common Charges for each Unit for the projected First Year of Condominium Operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of interest and amortization payments on the mortgage, if any, which such Purchaser may obtain. Further, Unit Owners may be responsible for additional charges for services which they choose to use at their option. (See the subsection entitled "Available Services and Facilities" in Part I, Section B).

Schedule A sets forth the estimate for the amount of real estate taxes which will be payable with respect to each Unit during the First Year of Condominium Operation. See Notes to Schedule A hereof with respect to the basis of such estimate.

Air Rights or transferable development rights benefiting the Property are allocated to the Commercial Unit. (See the Section entitled "Reservation of Air and Development Rights" below in Part I of the Plan for further discussion.)

As of the date of the acceptance of this Plan for filing, no contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Units offered in this Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Units.

4. **Certain Definitions**

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

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

Air Rights: refers collectively to all excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, or which may otherwise become available to the Property in the future. Air Rights are allocated to the Commercial Unit.

Architect's Report: refers to the Description of Property and Building Condition included in Part II of the Plan.

Building: The existing building and other improvements to be located on the Land and commonly known as 57 Lispenard Street, New York, New York.

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

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

Commercial Unit: The Unit designated in the Declaration as a Commercial Unit, as the same may be subdivided or combined in accordance with the Declaration and/or By-Laws.

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

Common Charges: Assessments payable to the Condominium Board by Unit Owners for the purpose of meeting Common Expenses. Generally, Residential Unit Owners will pay Common Charges based on the Common Interest allocated to each Residential Unit. Common Charges payable by the Commercial Unit Owner will be based on an allocated share of those Common Expenses incurred by the Condominium Board in furnishing services to, or in operating, maintaining and repairing those Common Elements that are used by the Commercial Unit Owner, in accordance with the provisions of the By-Laws.

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

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements and the provision of services to Unit Owners.

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

Condominium: The 57 Lispenard Street Condominium.

Condominium Board: The board of managers of the Condominium.

Condominium Documents: refers collectively to the Condominium Declaration, By-Laws and tax lot drawings of the Condominium.

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

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

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

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

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

First Year of Condominium Operation. The 12-month period commencing on the date of the First Closing, currently anticipated to be the period from July 1, 2024 to June 30, 2025.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Real Property Assessment Bureau of The City of New York and the City Register's Office at the

time the Declaration is recorded. The Floor Plans show the locations of the Units and the Common Elements in the Building.

"Force Majeure" shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, pandemics, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, late deliveries, availability of materials, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, labor difficulties (including work stoppages and strikes) or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

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

Initial Control Period: The period ending on the date that Sponsor no longer owns any Residential Units in the Building.

Land: The land situated on the north side of Lispenard Street between Church Street to the west and Broadway to the east comprising the parcel commonly known as 57 Lispenard Street, New York, New York, as further and more particularly described in the Declaration.

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

Managing Agent: The managing agent for the Condominium from time to time. It is anticipated that the Managing Agent for the Condominium will initially be Monarch Realty Group, a management firm engaged in the management of mixed-use buildings in New York City, pursuant to a management agreement, as more fully described in the Section entitled "Management Agreements and Other Contracts" in Part I of the Plan.

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

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

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

Plans and Specifications: The plans and specifications for the construction of the Building were previously filed by a predecessor owner of the Property (and not the Sponsor) with the Department of Buildings (the "Original DOB Plans"). For purposes of this Plan, the terms "Plans and Specifications" shall only refer such plans and specifications filed by Sponsor, if any, or such other amendments to the Original DOB Plans which may be filed by Sponsor.

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

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

Residential Common Elements: Those Common Elements which serve or benefit exclusively all or a combination of the Residential Units or the Residential Unit Owners as more particularly described in the Declaration.

Residential Limited Common Elements: The "Residential Limited Common Elements" consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements, if any; and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or exclusively benefit one Residential Unit or Residential Unit Owner whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, kitchen exhaust vents.

Residential Passenger Elevator: The one (1) passenger elevator, which is a Residential Common Element, as designated on the Floor Plans, and which services all of the Residential Units. In order to operate the Residential Passenger Elevator a key fob (or such other technology) is required to activate it.

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

Residential Unit Owner: An owner of any Residential Unit at the time in question.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Schedule A, as the same may be amended from time to time in accordance with the applicable provisions of the By-Laws. The Rules and Regulations are applicable to and binding upon the Residential Unit Owners and occupants of the Residential Units only, and are not applicable or binding upon the Commercial Unit Owner or its occupants.

Selling Agent: Corcoran Group, having an address at 590 Madison Avenue, New York, NY 10022.

Sponsor: refers to 304-306 Canal Street LLC, and its designees, successors and/or assigns.

Sponsor; Sponsor or its designee; or similar phrases: means Sponsor, any affiliate of Sponsor or a designee of Sponsor. An affiliate of Sponsor shall be deemed to be (i) a person or entity who or which owns 25% or more of the legal or beneficial interest of Sponsor; or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest.

Sponsor's Office: The office of Sponsor located at c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019 or any other office regularly maintained by Sponsor in the City of New York.

Title Company: Chicago Title Insurance Company, or such other or additional company/ies designated by Sponsor in an amendment to this Plan. Purchasers may obtain title insurance from the Title Company or, without incurring additional fees from Sponsor, from any other title company of Purchaser's choosing.

Unit: Any space designated as a Residential Unit or Commercial Unit in the Declaration, consisting, generally, of the relevant condominium unit in the Building and an appurtenant undivided interest in the General Common Elements and, with respect to the Residential Units, the Residential Common Elements. All or any of such Units are collectively referred to as the "Units."

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

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

Vestibule: refers to the areas appurtenant to each Residential Unit (such area designated as "vestibules" on the Floor Plans) as identified in Schedule A and the Floor Plans set forth in Part II of the Plan. Vestibules are included as part of the Residential Units as to which they are appurtenant to.

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

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as the case may be. Unless the context otherwise requires, words used in the singular include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

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B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

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

1. The Building

The Building is located on the Land, situated on the north side of Lispenard Street between Church Street to the west and Broadway to the east comprising the parcel commonly known as 57 Lispenard Street, New York, New York, as further and more particularly described in the Declaration and is designated, as of the date hereof, as Block 210, Lot 18 on the Tax Map of the Borough of Manhattan. While the Building has not been issued a landmark designation, the Building is located in the Tribeca East Landmark District. Sponsor does not anticipate that the location of the Building being in a landmarked district will result in increased costs to the Unit Owner with respect to its interior alterations; however, it does require, among other things, that the exterior aesthetic of the Building be maintained to be keeping with the character of the neighborhood, which may result in additional costs being incurred by the Condominium Board, the cost of which shall constitute a Common Expense.

The building is comprised of 5 stories above grade with one below grade cellar and, to the best of Sponsor's knowledge, was originally constructed in approximately 1860-1861 and was most recently renovated in 2018 (the "Building"). Except as expressly set forth otherwise in the Architect's Report, the Common Elements, Residential Units and the Commercial Unit are being offered and will be delivered in their existing "AS IS" "WHERE IS" condition in which they exist at the time a purchaser signs an Agreement, subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing. Appliances included in each of the Residential Units are not new and will not be replaced by Sponsor, provided that same shall be in working order at the closing of title to each Residential Unit. Sponsor will maintain each of the Units, and fixtures and personalty, up to the time of the transfer of title to the Unit in question. Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor is not intending on making any material upgrades to the Common Elements at this time.

A permanent certificate of occupancy was issued for the Building on October 11, 2018 (CO Number: 122396040F).

The Residential Common Element residential lobby (the "Residential Lobby") will have a main entrance on the Ground Floor on Lispenard Street that leads to the Residential Passenger Elevator serving the occupants of the Residential Units from the Ground Floor to the Fifth Floor. The Commercial Unit will be served by a stairwell that serves the Cellar and Ground Floor. There will be two entrances to the Commercial Unit on the Ground Floor – one on Canal Street and the other on Lispenard Street. All Units are also serviced by a stairwell that opens onto the Lispenard Street side of the Building on the Ground Floor for egress purposes.

The Commercial Unit Owner and any tenant or tenants (or subtenant(s)) of the Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have an easement, to use the Residential Passenger Elevator as a means of access from the First Floor to the Cellar only in the case that transportation of one or more persons is necessary to comply with ADA requirements and for purposes of accessing the 5th floor to access stairs at such level leading to the roof.

As shown on the Floor Plans on file at the Sponsor's office, the floors of the Building are designated as follows: Cellar; Ground Floor or Floor 1 (at grade); Floors 2 through 5 and Roof Level. All "floor" references herein are in accordance with such floor's marketing designations. Floor numbering in the plans for the Building filed with the New York City Department of Buildings includes references to construction levels which may differ from the floor marketing designations of the Building as set forth above.

The Building was constructed as a II-B Unprotected – Non-combustible Building.

The Condominium is located in the Tribeca Mixed Use district. Commercial, residential and community facility uses are permitted in these districts. The districts allow the residential and commercial uses that will be in the Building.

Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in Exhibit 4 in Part II of the Plan, items of Equal or Better Quality, provided, however, that any material change shall be set forth in an amendment to the Plan, that any necessary approval of any governmental authority having jurisdiction is first obtained, and that no such amendments, modifications or substitutions may be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer any materially adversely affected Purchaser(s) the right, for at least fifteen (15) days after the presentation date of such amendment, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon. (Any such changes that are not both material and adverse will not give rise to a right of rescission.)

The location in the Building, and the size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 5 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in the Part I Section entitled "Changes in Prices and Units", provided, however, that any material change (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 a material change; there is a rebuttable presumption that an area that is diminished by 5% or less or any increase in size of a Residential Unit is not material) shall be set forth in an

amendment to the Plan, and no material adverse change will be made in the size (i.e., decrease), configuration or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Agreements and receive a refund of their Deposit, together with all interest earned thereon.

Unlike new developments, the Property is constructed and accordingly, Purchasers are advised to carefully inspect the size of the Unit prior to executing an Agreement. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved of any obligations under the Agreement, by virtue of a minor inaccuracy or error in the floor plans. With regard to size, 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 a material change. There is a rebuttable presumption that an area that is diminished by 5% or less or any increase in size of a Residential Unit is not material.

The Building incorporates sophisticated mechanical equipment designed to provide for the physical comfort and convenience of the Building's occupants. During normal operation of this equipment, some occupants of Units adjacent to or in the vicinity of equipment and equipment areas of the Building may perceive noise and/or vibration from the equipment. Sponsor is not performing any work to reduce levels of noise in the Units or Common Elements.

Sponsor contemplates that the closing of title to Residential Units to begin in or about July 1, 2024.

2. **Residential Units**

There will be a total of four (4) Residential Units located within the Building, on Floors 2 through 5 of the Building. The Residential Units are two-bedroom apartments that vary in size as more particularly shown on the Floor Plans. Detailed descriptions of the Residential Units are set forth in the Declaration and in Exhibit 4 in Part II of the Plan. Exhibit 4 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Residential Unit.

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

3. **Commercial Unit**

The Condominium will also initially include one (1) Commercial Unit, which will be located on a portion of the Cellar Level of the Building and a portion of the Ground Floor. The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, gallery, commercial or office purposes. Neither the Condominium Board nor any other Person will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefront thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or the Residential Unit Owners.

Subject to the foregoing and all applicable zoning regulations and the Declaration and By-Laws, the Commercial Unit may be sold, leased or subleased by the Commercial Unit Owner thereof, or subdivided by the Commercial Unit Owner into two or more separate commercial condominium units and such subdivided units sold or leased. (See Section entitled "Commercial Unit" in Part I hereof.) None of the Residential Unit Owners or the Condominium Board will have any interest in the rents, profits or revenues from the rental or use of any space in such Commercial Unit.

Air Rights are allocated to the Commercial Unit.

As of the date hereof, the Commercial Unit is occupied by retailer Stellar Works USA, Inc. ("Stellar Works"). Sponsor makes no representations or warranties whether Stellar Works will continue to occupy the Commercial Unit or any future tenancy or use of the Commercial Unit

Supplementing the foregoing, no representation is made with respect to the type or identity of the owners, tenants or occupants of any portion of the Commercial Unit at any time, or the purposes for which any portion of the Commercial Unit may be used at any time, except as provided in Section 6 of the By-Laws.

4. **Vestibules and Mechanical Rooms**

Vestibules

Certain vestibules (identified as "vestibules" on the Floor Plans) (the "Vestibules") are located immediately appurtenant to the Residential Units, as shown on the Floor Plans set forth in Part II of the Plan. The Vestibules are identified as part of the Units (and the square footage allocated to each Residential Unit listed on Schedule A is inclusive of the Vestibules). Vestibules are available for the exclusive use of the Residential Unit Owner of the Residential Unit to which such Vestibules are appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations as are in effect from time to time. Each Residential Unit Owner shall be responsible for all ordinary maintenance, repairs and replacements to the Vestibules appurtenant to its Residential Unit; however, the costs and expenses of any structural or extraordinary repairs or replacements (unless due to the negligence, misuse, neglect or abuse of such Residential Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Residential Unit Owner shall bear the entire cost thereof), shall be charged to all Residential Unit Owners as a Common Expense.

Personal property, equipment, furniture or furnishings and/or other installations (collectively, the "Installations") are expressly prohibited from being placed in such Vestibules. The Condominium Board (and other aforementioned parties) shall have the right and easement (and the Unit shall be subject to such right and easement) to access Vestibules and Mechanical Rooms (defined below), in connection with any repair or maintenance work in the Building (e.g., accessing any paneling or any other areas of the Vestibule and/or Mechanical Room that may house equipment, facilities, conduits and the like). All proposed alterations, additions, improvements and repairs, including without limitation, installation of light fixtures and cosmetic decorations (such as, but without limitation, the hanging of wallpaper and painting) and the like to Vestibules shall require the prior written approval of the Board and shall be treated as any other alteration to a Residential Unit under the Condominium Declaration and By-Laws.

Without limiting the foregoing, Purchasers are advised that, with respect to Vestibules, the following rules and regulations shall apply and the Board may adopt such additional rules and regulations regarding same from time to time: Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Vestibules must be kept clean and free from debris and obstructions. In no event shall any Residential Unit Owner be permitted to enclose any Vestibule without the consent of the Board and without complying with all alteration requirements set forth in the By-Laws. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed in a Vestibule. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed in any Vestibule.

Mechanical Rooms

Within each Residential Unit there is a mechanical room (identified as "mech" on the Floor Plans) (the "Mechanical Room") that is part of (and included within the square footage of) such Residential Unit. Limited personal property that is light weight and easily moveable may be stored in available space in the Mechanical Room, however, there are access panels to equipment and utilities serving the Building in the Mechanical Rooms that the Condominium Board (and its agents, maintenance person, repair persons, other contractees, etc.), will routinely require access to, and accordingly, the Mechanical Rooms and access panels therein must be easily accessible to the Condominium Board. It shall be each Residential Unit Owner's obligation to ensure that access to and within the Mechanical Room within its Residential Unit are accessible at all times and that same is kept free and clear of debris and obstructions. Residential Unit Owners are not permitted to close off or block in any manner access to these access panels at any time. In the case that access to a Mechanical Room or access panel within is blocked or closed off, the Board shall have the right, at the Unit Owner's sole cost and expense, and without any liability, to remove any installations made and re-establish access as it deems necessary and appropriate. The Residential Unit Owners right to make alterations or improvements to this portion of its Residential Unit is subject to the Condominium's easement rights and the terms above.

In the event that the Board is required to make any modifications to a Unit (or portion thereof) in connection with the performance of its maintenance and Repair obligations under the Condominium Documents (by way of example only, and without intending to limit the generality of the foregoing, altering/opening up a wall to access a pipe, conduit or other piece of equipment), the Board's sole obligation shall be to restore the Unit to good order and condition, however the Board shall not be required to restore improvements or decorations that the Unit Owner had made

to such part of the Unit (by way of example only, the Board will not be obligate to repair or replace wallpaper, other installations or decor that the Board may have had to remove in connection with its access).

5. Common Elements

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

6. Available Services and Facilities

Generally, it is initially anticipated that the below described services will be provided to Residential Unit Owners at no cost other than Common Charges. The Condominium Board shall at all times maintain, operate and staff the Building in compliance with, and subject to, all applicable Legal Requirements.

a. **Building Standard Services and Facilities** (provided to all Residential Unit Owners at no cost other than the Common Charges payable by Residential Unit Owners):

(i) Elevator Service. The passenger elevator in the Building which services all of the Residential Units (the "Residential Passenger Elevator") will be in service as necessary, 24 hours per day, seven days per week. In order to operate the Residential Passenger Elevator a key fob (or such other similar technology) is required to activate it by each Residential Unit Owner.

(ii) Two-Way Communication System. There will be a two-way communication system installed in each Residential Unit allowing for the Residential Unit Owner to communicate via audio and video with visitors at the Building entrance on Lispenard Street. Refer to Special Risk 6. Purchasers should note that this service is not intended to serve as a security system for the Building.

(iii) Building Staff. It is anticipated that the Condominium will utilize services of a staffing maintenance company that will assign personnel to maintain the Building. It

is not anticipated that there will be any employees of the Condominium or dedicated personnel staffed to maintain the Building. See Notes to Schedule B – "Projected Budget for First Year of Condominium Operation" for more detail.

(iv) Refuse and Recycling Disposal. There will be trash and recycling receptacle cans located within the Cellar of the Building. Each Unit Owner will be responsible for packing its trash and recyclables and bringing same to the Cellar in the basement and for disposing of same in the designated trash and recycling receptacles. All Unit Owners must carefully pack trash to ensure that all bags are securely closed, that trash is not left in any of the hallways or other public areas during transport and that once placed in receptacle bins, the bins are securely closed and trash is not exposed. Trash will be brought to the street for pick up by the Condominium's maintenance staff.

The Commercial Unit Owner will be responsible, at its sole cost and expense, for storing and disposing of its refuse in a manner which complies with all applicable Legal Requirements, and for engaging its own carting company for such removal. The Commercial Unit Owner is not permitted to store any trash or recycling in the trash room in the Cellar.

(v) Carbon Monoxide Detectors. The Residential Units will be equipped with combined smoke and carbon monoxide detectors, per New York City Building Code requirements, which detectors are the responsibility of Residential Unit Owners to maintain and replace, as necessary. Additionally, common areas throughout the Building will be equipped with fire safety and warning devices. A fire alarm control panel will be located on the Ground Floor. The system will include wired detectors, and alarms.

(vi) Mail. There will not be a separate mail room at the Condominium. There will be mailboxes in the lobby where the US Postal Service will deposit mail within.

(vii) Packages. There will not be a separate package room at the Condominium, nor will there be a lobby attendant to receive packages. Delivery persons will be provided access to the lobby of the Building (either by the virtual doorman or a Unit Owner) and will drop packages in the lobby below mail boxes. Packages are delivered to the Building at the sole risk of the Unit Owners and the Condominium shall have no responsibility or liability whatsoever with respect to any deliveries.

7. Heating and Cooling of Residential Units

Each Residential Unit will have a variable refrigerant flow (VRF) system that exclusively serves such Residential Unit and shall be used to provide heating and cooling air to such Residential Unit. Each Residential Unit will have a dedicated air-cooled VRF condenser. VRF condensers will be located on the roof level, with such VRF system and all related facilities being considered part of the Unit it serves. Ceiling-hung ducted air handling units and appurtenances certain of which will be located within the dropped ceilings and others within exposed painted ducts in the ceiling. Each Residential Unit will be provided with a thermostat to control such temperature. Each Residential Unit Owner will be responsible, at its sole cost and expense (which shall be in addition to Common Charges) for maintaining, repairing and replacing its dedicated VRF system, condensers and

related equipment serving same and each Residential Unit Owner will be required to use service and repair persons approved by the Board, and each Residential Unit Owner will have access to such VRF condenser serving its Residential Unit for such purposes, as further described in Sections 15.11 and 15.2 of the Declaration. For proper operation of the Building's systems, it may be necessary for the Board to access a Residential Unit to permit routine inspection, testing, and maintenance, as well as repairs and replacements and may require access to a Unit Owner's Unit or the Limited Common Elements appurtenant thereto in connection with the foregoing, and the Board shall have an easement in connection with the foregoing as further described in Sections 14.3 and 15.12 of the Declaration. Except in the event of an emergency, Residential Unit Owners shall receive a minimum of one days' notice from Sponsor, the Condominium Board, or their respective agents in connection with the foregoing rights of access. For further detail on VRF systems, Purchasers are advised to review the Architect's Report in Part II of the Plan.

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C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 57 Lispenard Street, New York, New York 10013 (located on the tax maps in Block 210), between Church Street and Broadway and is located within the Tribeca East Landmark District. A variety of universities, museums, libraries, theaters and cultural institutions are within a short distance from the Building.

New York City is served by three major airports -- LaGuardia Airport, John F. 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 Terminal, located at Lexington Avenue and 42nd Street.

Transportation to and from the Building, and throughout New York City, is available by taxi, limousine, private automobile, subway or bus. Subway service is available close by on the N, Q, R, W lines at the Canal Street Station.

The Building offers access to the major arteries connecting Manhattan to all boroughs of New York City, Westchester County, Long Island, Upstate New York, New Jersey, Connecticut and the three major airports servicing the New York Metropolitan Area. A number of commercial parking garages are located nearby.

All public services, including schools, police protection, library, street maintenance, social services, water and fire protection are provided by The City of New York. The nearest police precinct headquarters is the 1st precinct, Sector C, located at 16 Ericsson Place, New York, NY. Fire protection is provided from FDNY Engine #8 located at 14 North Moore Street, New York, New York 10013.

The Building is located in Public School District No. 02 which contains, among other schools, The Spruce Street School M397 and J.H.S. 104 Simon Baruch M104, High School are by choice city wide. There are several public high schools with various specialties available within the City of New York with entrance by competition or examination, such as the High School for Performing Arts, Stuyvesant High School and Bronx High School of Science. Private schools in close proximity to the Building include The Geneva School of Manhattan, The Buckley School and The Allen Stevenson School. Sponsor, however, makes no guaranty or representation as to which school a child residing at the Building may actually attend. Many religious faiths have congregations within walking distance of the Property.

The principals of Sponsor are also the principal of an offering for the sale of condominium units located at 37 Lispenard Street, an existing 5-story building.

2. Zoning

The Condominium is located within the C6-2A/TMU zoning district as shown on Map 12a of the Zoning Resolution of the City of New York and is subject to the requirements of the Tribeca Mixed Use district. The zoning district classifications (Use Group 2 and Use Group 6) pertaining to the Condominium permit the residential and commercial uses of the Building.

3. **Neighboring Properties.**

An affiliate of Sponsor and principals of Sponsor have, as of the date hereof, submitted an offering plan to the New York State Department of Law in connection with the sale of condominium units at the premises located at 37 Lispenard Street ("37 Lispenard"), File No. CD23-0211. 37 Lispenard is fully developed and neither the sponsor nor the principals of the 37 Lispenard offering presently have any intention to expand the 37 Lispenard building, nor are there any presently material development rights available at 37 Lispenard.

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D. SCHEDULES AND NOTES

SCHEDULES A

The Notes to Schedules A are an integral part thereof and should be read in conjunction therewith.

[SCHEDULES BEGIN ON NEXT PAGE]

SCHEDULE A

THE 57 LISPENARD STREET CONDOMINIUM

57 LISPENARD STREET NEW YORK NY 10013

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES FOR THE PROJECTED FIRST YEAR OF CONDOMINIUM EXPENSES

(JULY 1 2024 - JUNE 30 2025)

Unit	Approximate Unit Square Footage (1)	BR	Bath	Offering Price (2)	Percentage of Common Interest (3)	Perentage of Residential Common Interest (3)	Perentage of Commercial Common Interest (3)	Estimated Common Charges Monthly (4)	Annually (4)	Estimated Real Estate Taxes Monthly (5)	Annually (5)	Total of Estimated Common Charges and Real Estate Taxes Monthly (6)	Annually (6)
2	2,232	3	3	$4,525,000	19.0000%	24.7500%	-	$1,569.70	$18,836.43	$5,027.48	$60,329.75	$6,597.18	$79,166.18
3	2,249	3	3	$4,475,000	18.5000%	25.0000%	-	$1,585.56	$19,026.70	$4,895.18	$58,742.13	$6,480.74	$77,768.82
4	2,249	3	3	$4,550,000	19.0000%	25.0000%	-	$1,585.56	$19,026.70	$5,027.48	$60,329.75	$6,613.04	$79,356.45
PH	2,249	3	3	$4,625,000	19.5000%	25.2500%	-	$1,601.41	$19,216.97	$5,159.78	$61,917.38	$6,761.20	$81,134.34
Residential Units Subtotal	**8,979**			**$18,175,000**	**76.0000%**	**100.0000%**		**$6,342.23**	**$76,106.80**	**$20,109.92**	**$241,319.00**	**$26,452.15**	**$317,425.80**
Commercial	4,434			Not Offered	24.0000%	-	100.0000%	$849.94	$10,199.28	$6,350.50	$76,206.00	$7,200.44	$86,405.28
Non-Residential Unit Subtotal	**4,434**			**-**	**24.0000%**	**-**	**100.0000%**	**$849.94**	**$10,199.28**	**$6,350.50**	**$76,206.00**	**$7,200.44**	**$86,405.28**
TOTAL	**13,413**				**100.0000%**	**100.0000%**	**100.0000%**	**$7,192.17**	**$86,306.08**	**$26,460.42**	**$317,525.00**	**$33,652.59**	**$403,831.08**

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Notes to Schedule A

Amounts are projected on the assumption that the First Year of Condominium Operation will be the year from July 1, 2024 through June 30, 2025. The actual First Year of Condominium Operation may begin earlier or later than that year.

(1) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation, within reasonable tolerances, of the square foot area and layout of the Unit in question. With regard to size, 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 a material change. Unlike new developments, the Property is constructed and accordingly, Purchasers are advised to carefully inspect the size of the Unit prior to executing an Agreement. There is a rebuttable presumption that an area that is diminished by 5% or less or any increase in size of a Unit is not material. Any material change will be set forth in an amendment to the Plan, and no material adverse change will be made in the size (i.e., decrease), configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists), and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least fifteen (15) days, to rescind their Agreements and receive a refund of their Deposits, together with all interest earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. (See also Section entitled "Changes in Prices and Units" in Part I of the Plan for further details concerning and certain limitations applicable to Sponsor's rights with respect to changes in the Units and the Common Elements.)

The square foot area of the Units set forth in the floor plans and Schedule A to the Plan were obtained by using the method customarily used in New York City to measure Condominium apartments as more particularly set forth in the Architect's Report. Each Unit consists of the area measured horizontally on each of one or more floors from the exterior side of the exterior walls of the Building to the midpoint of the interior walls and partitions separating the Unit from corridors, stairways, elevator shafts, other General Common Elements, Limited Common Elements or other Units, or to the opposite exterior side of the exterior walls of the Building, as the case may be. Columns and mechanical pipes and shafts and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub floor materials) to the underside of the floor slab above. In any instance where a floor of a Unit is above or below a floor of the same Unit, the concrete floor slab between such floors are a part of such Unit. The floor area occupied by any Common Elements within a Unit (such as the Building's façade and exterior walls, vents, chase walls or areas, conduits, shafts, pipes and any Structural Components) have been included in the computation of the

floor area of such Unit, but such Common Elements shall not be considered part of that Unit. The square foot areas determined using the methodology set forth above would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces and the actual usable floor area for each unit would be significantly less than that set forth in Schedule A due to the use of the methodology described above*. The stated method of measurement used is applicable to all Residential Units. The room count for each Residential Unit was determined by Sponsor's architect in accordance with industry practice and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

(2) Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Agreements, so Purchasers may pay different prices for similar Units. (See Section entitled "Changes in Prices and Units" in Part I for further discussion.) In addition to paying the purchase prices of their Units, purchasers will be responsible for paying certain closing adjustments and closing costs, including, without

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* Each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.) the front entrance door and any other entrance doors to such Unit, (including all locks, peep holes, door jams, trim and hardware), interior doors and hardware, hallways serving a Unit exclusively, the interior walls, partitions, sheetrock and plaster wall covering, wood or other floors (including all underlayerments above the concrete slab) and floor coverings and ceilings (including all materials beneath the concrete slab), affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, all window blinds or draperies and associated hardware, all plumbing, gas and heating fixtures, including without limitation, the gas fired heater installed within each Residential Unit and exclusively serving such Residential Unit, equipment and appliances, including without limitation, refrigerators, freezers, microwaves, dishwashers, ovens, stoves or stovetops, washers and dryers, heating, ventilating and air-conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, electrical panel boxes, lighting and electrical fixtures and switches and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the electrical panel box (including electrical branch wiring but excluding electrical service risers) and serving or benefiting only that Unit, sinks, bathtubs, showers, waterclosets, medicine cabinets and vanities, built-in cabinetry of any type, backsplashes in kitchen and bathrooms, kitchen and bathroom cabinets, countertops in kitchens and bathrooms, wall accessories, trim and moldings. Each Residential Unit Owner shall also be responsible for all other facilities as may be affixed, attached or appurtenant to such Unit. Plumbing, gas and heating fixtures and equipment as used in this paragraph shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, flues or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures of facilities (as defined in the Declaration affixed to the Unit. The Commercial Unit shall also include all windows and storefronts appurtenant to the Commercial Unit.

limitation, the obligation to contribute to the Working Capital Fund. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Residential Units. (See Section entitled "Unit Closing Costs and Adjustments" in Part I for further discussion.)

(3) The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

(4) These projections have been based upon the projections contained in "Projected Budget for First Year of Condominium Operation -- Schedule B" (set forth in Section E below), which were made based on the assumption that the First Year of Condominium Operation will be from July 1, 2024 through June 30, 2025. The actual first year of operation may be earlier or later. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers the right to rescind their Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned.

As discussed below in the Section entitled "Control by Sponsor" and in the Special Risk entitled "Waiver Period," Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of certain or all of the Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building, and if implemented, commence the collection of certain, but not all, Common Charges as time progress, all as Sponsor determines in its sole discretion (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums that are the obligation of the Condominium Board. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B. Sponsor will not fund the contingency during the Waiver Period. Purchasers should note that Schedule B will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, insurance that Unit Owners are obligated to procure under the By-Laws, as well as any other expenses customarily attributed to unit owners in accordance with the Common Interest of their Units or as otherwise set forth in the Plan. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period, including the anticipated period

of delay in a closing notice to Purchasers and in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor will provide thirty (30) days prior written notice to Unit Owners disclosing the expiration of the Waiver Period and shall subsequently file an amendment to the Plan disclosing the expiration of the Waiver Period; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as required by governing Department of Law regulations.

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

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

(b) the cost of electricity supplied to the Unit, which will be separately metered and payable as and when billed;

(c) the cost of interior repairs (including without limitation, Vestibules that may be appurtenant to Residential Units), compliance with Legal Requirements and maintenance, painting and decoration in, to or of, the Unit, including, without limitation, the equipment and appliances contained in the same;

(d) the cost of any insurance that the Unit Owner is required to (or desires to) carry covering its Unit, the furniture, belongings, equipment and other personal property in the Unit, as well as the cost of insurance the Unit Owner is required to carry covering liability to others for personal injury or property damage as a result of occurrences in or around the Unit (Purchasers are advised to review the insurance requirements more particularly described in Section 6.4 of the By-Laws);

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

(f) the cost of heat and hot water (see Schedule B-1 herein); and

(g) real estate taxes (see footnote 5 below).

(5) The estimated real estate taxes payable in respect of each Unit(s) were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Condominium Operation, as estimated by Sponsor's real estate tax consultant, will be allocated to each Unit on the basis of their proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units using a different methodology, and, if so, Units having the same or similar Common Interests may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, Schedule A sets forth projected real estate taxes for the First Year of Condominium Operation. The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation

is based upon a letter dated March 13, 2024 prepared by Marcus & Pollack LLP, Sponsor's real estate tax attorneys a copy of which is included in in Part II of the Plan (the "Real Estate Tax Opinion"). The Real Estate Tax Opinion takes into account the following assumptions and projections in respect of the First Year of Condominium Operation: (a) the First Year of Condominium Operation will be comprised of the six (6) months of the 2024/25 tax year and six (6) months of the 2025/26 tax year; (b) a projected taxable total assessed value for the Units of $2,539,792, for 2024/25 and a taxable total assessed value for the Units of $2,617,462 for 2025/26; and (c) an assumed tax rate of 12.502%, which results in estimated aggregate real estate taxes for the Residential Units for the First Year of Condominium Operation of $317,525.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE PROJECTED TAX RATE ARE ACCURATE OR WILL NOT VARY FROM SUCH ESTIMATIONS.

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

No guaranty or assurance is given that: (i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the 2024/2025 and 2025/2026 tax years or thereafter, the estimates of the portions of such assessed valuations that will be allocable to the Residential Units and the Commercial Unit, the projections of the average real estate tax rate that will be in effect during the 2024/2025 and 2025/2026 tax years and thereafter, which will determine the real estate tax rate for the projected First Year of Condominium Operation, and thereafter, will approximate the actual amount; (ii) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with proportionate Common Interest of the Units, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or (iii) any of the projections or estimates made above and in Schedule A are accurate. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

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

Part I, Section R for further discussion.) At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount or allocation of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from those derived using the methodology set forth above. Sponsor will amend the Plan to disclose the actual amount of real estate taxes assessed against the Units promptly after the same are assessed.

In the opinion of Sponsor's Counsel, an individual Residential Unit Owner who is a resident of New York City for income tax purposes and who itemizes his or her deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan and subject to certain limitations and qualifications, be entitled to deduct from his or her Federal, New York State and New York City income, the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Residential Unit Owner (which might result from changes in the assessed valuation of the Residential Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to the Sections entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and "Opinions of Counsel" in Part I of the Plan for further discussion.

(6) This column represents the aggregate monthly and annual Common Charges and Real Estate Taxes (based on the First Year of Condominium Operation projections) payable by each Unit Owner.

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E. SCHEDULE B

SCHEDULE B

PROJECTED BUDGET FOR FIRST FULL YEAR OF CONDOMINIUM OPERATION
THE 57 LISPENARD STREET CONDOMINIUM
JULY 1 2024 – JUNE 30 2025

PROJECTED INCOME

COMMON CHARGES	(Note 1)	**$86,306.08**
TOTAL		**$86,306.08**

PROJECTED EXPENSES

LABOR	(Note 2)	$14,400.00
ELECTRIC	(Note 3)	$4,265.95
GAS	(Note 4)	$1,767.67
WATER & SEWER CHARGES	(Note 5)	$1,929.45
REPAIRS, MAINTENANCE & SUPPLIES	(Note 6)	$5,000.00
SERVICE CONTRACTS	(Note 7)	$23,918.00
INSURANCE	(Note 8)	$9,679.00
MANAGEMENT FEE	(Note 9)	$15,000.00
LEGAL & AUDIT FEES	(Note 10)	$2,500.00
CONTINGENCY FUND	(Note 11)	$7,846.01
TOTAL	(Note 12)	**$86,306.08**

BUDGET ALLOCATION

	Residential Units	Retail Units		Total Units
	4	1		5
Actual Used for Budget (Residential vs Commercial)	**76.0000%**	**24.0000%**		**100.0000%**
90% Residential (Anticipated Use)	$ 12,960.00	$ 1,440.00		$ 14,400.00
Residential Only	$ 4,265.95	$ -		$ 4,265.95
Residential Only	$ 1,767.67	$ -		$ 1,767.67
Residential Only	$ 1,929.45	$ -		$ 1,929.45
Percentage of Common Interest	$ 3,800.00	$ 1,200.00		$ 5,000.00
See breakdown below	$ 22,221.68	$ 1,696.32		$ 23,918.00
Percentage of Common Interest	$ 7,356.04	$ 2,322.96		$ 9,679.00
90% Residential (Anticipated Use)	$ 13,500.00	$ 1,500.00		$ 15,000.00
Percentage of Common Interest	$ 1,900.00	$ 600.00		$ 2,500.00
Residential Only	$ 7,846.01	$ -		$ 7,846.01
	$ -			
	$ -			
	$ -			
	$ 77,546.80	**$ 8,759.28**		**$ 86,306.08**

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

NOTES TO SCHEDULE B

(1) Common Charges: $86,306.08

These amounts represent the total Common Charges to be levied against and collected from the Unit Owners during the projected First Year of Condominium Operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Expenses have been allocated among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Except as otherwise set forth herein, the Common Charges have been allocated between the Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit.

Amounts are projected on the assumption that the first year of Condominium operation will be the year from July 1, 2024, to June 30, 2025. The actual first year of Condominium operation may be earlier or later than that year.

If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits (except for Special Work Funds to the extent expended or committed) returned together with any interest earned thereon. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits within a reasonable period of time, 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). Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Plan.

(2) Labor: $14,400.00

As of the filing date of the Plan, it is expected that all building staffing will be outsourced to a third-party service provider. Contracted Superintendent Services will be provided 4 days per week with on-call services 24 hours per day, 7 days per week. The Superintendent Service will clean and maintain the sidewalks and trash areas in front of the building and handle all snow removal. Such level of staffing complies with all applicable housing labor laws.

No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, Monarch Realty Group Holdings LLC, in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.
As per the Schedule B budget, 90% of this expense is weighted towards the residential units, while 10% is weighted towards the commercial unit based on anticipated usage of service.

(3) Electricity: $4,265.95

This estimate is based on an estimate made as of November 1st, 2023, by Lilker Associates located at 1001 Avenue of the Americas, 9th Floor, New York, NY 10018, that light and power for the Common Areas as well as the mechanical equipment will be approximately 15,575.56 KW/HR/YR at an annual cost of $.25KW/HR, which includes a 10% increase to the cost to account for inflation to the utility cost.

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since the electricity for each Unit will be individually metered by Coned. 100% of this expense is weighted towards the residential units, as the commercial unit will be separately metered.

(4) Gas: $1,767.67

This estimate is based on an estimate made as of November 1st, 2023, by Lilker Associates located at 1001 Avenue of the Americas, 9th Floor, New York, NY 10018, that light and power for the Common Areas as well as the mechanical equipment will be approximately 1084 THERMS/YR at an annual cost of $1.80/THERM, which includes a 10% increase to the cost to account for inflation to the utility cost. 100% of this expense is weighted towards the residential units, as the commercial unit will be separately metered.

(5) Water and Sewer Charges: $1,929.45

This estimate is based on an estimate made as of November 1st, 2023, by Lilker Associates located at 1001 Avenue of the Americas, 9th Floor, New York, NY 10018, that water & sewer charges for the Common Areas as well as the residential units will be approximately 168.86 HCF at an annual cost of $10.22/HCF, which includes a 10% increase to the cost to account for inflation to the utility cost.

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The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building.

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of water and sewer charges during the first year of operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise. 100% of this expense is weighted towards the residential units, as the commercial unit will be separately metered.

(6) Repairs, Maintenance and Supplies: $5,000.00

This estimate includes painting, maintenance and repair costs of 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.

Supplies and Hardware	$2,500
General Repairs	$2,500
Total	$5,000

This estimate is based on the experience of Sponsor's budget expert, Monarch Realty Group Holdings LLC, in operating comparable buildings. Weighting of the expense is allocated based on the percentage of common interest between residential and commercial units.

(7) Service Contracts: $23,918.00

This estimate includes the cost of various services used in or for the Common Elements.

Extinguishers	$1,200.00
Fire Alarm	$1,600.00
Sprinkler Systems	$1,200.00
Phone/Internet	$3,000.00
Virtual Doorman	$1,750.00
Elevator	$5,400.00
Exterminating	$1,668.00
HVAC	$2,700.00
RAP Inspection	$5,400.00
Total	$23,918.00

No maintenance or service contracts have been entered into, on behalf of the condominium association, as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor’s budget expert, Monarch Realty Group

Holdings LLC, in operating comparable buildings. While this Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection. The weight of all service contract expenses are allocated 100% towards the residential units, with the exception of the exterminator contract which is allocated based on a percentage of common interest.

(8) Insurance: $9,679.00

The insurance premiums are based on the letter, dated June 14th, 2023, from the Stern Agency, INC. located at 40 Exchange Place Suite 1903, New York, NY 10055. All policy limits are outlined in the projection letter included in the plan.

Property Coverage:	
Building (Replacement Cost/Agreed Amount)	$3,386,750
Loss of Income	$78,618.00
Coverage Form A Damaged Portion of Building:	Up to Building Limit
Coverage Form B Undamaged Portion of Building:	10% of building value
Coverage form C Increased Cost of Construction:	10% of building value
Business personal Property Coverage:	$25,000
Broad Water Form Including Flood:	$1,000,000
Earth Movement Coverage:	$1,000,000
Equipment breakdown Coverage:	$3,465,368
Elevator Collision	$1,000,000
Deductibles for the foregoing coverage's are as follows:	$5,000
General Liability	
Per Occurrence:	$1,000,000
General Aggregate:	$2,000,000
Personal & Advertising Injury	$1,000,000
Hired & Non-owned Autos	$1,000,000
Medical Payments	$10,000
Fire Damage Legal Liability	$1,000,000
Employee Benefits Liability:	$1,000,000

No lead or mold exclusions Apply.

Crime/Fidelity Coverage:

Employee theft:	$100,000
Forgery Alteration:	$100,000
Theft of Money and securities:	$100,000
Computer Fraud:	$100,000
Funds Transfer Fraud:	$100,000
Money Orders & Counterfeit Paper/Currency	$100,000
Deductible:	$1,000

Managing agent included as insured.

Directors & Officers Coverage:

Per Occurrence:	$1,000,000
Aggregate:	$1,000,000
Deductible:	$2,500

Managing Agency included as insured.

Umbrella Coverage:
Per Occurrence $5,000,000
Aggregate: $5,000,000

Policy is true follow form to all underlying Policies.

Workers Compensation: Statutory

Disability Coverage: Statutory

The total premium for these various coverages is estimated at $9,679.00. The fire, casualty and general liability insurance carried by the Condominium will provide: that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Condominium Board; a waiver of subrogation; a waiver of invalidity because of acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

The above captioned Property coverage waives coinsurance (agreed amount clause) and is written on a replacement cost basis. Sponsor will procure, on behalf of the Condominium Board, on or before the First Closing, the general liability insurance that is required to be carried by the Condominium.

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.

This quotation is an estimate of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict exactly 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. This will occur prior to the first unit closing. The agent quoting the proposed insurance is the Stern Agency, INC., located at 40 Exchange Place, Suite 1903, New York, NY 10055. Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance that is required to be carried by the Condominium. Weighting of the expense is allocated based on the percentage of common interest between residential and commercial units.

(9) Management Fee: $15,000.00

Based on the management agreement to be entered into with Monarch Realty Holdings LLC at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of

$15,000 for the First Year of Condominium Operations. This fee is in line with the prevailing cost to similar projects. Reference should be made to the Section of the Plan entitled "Management Agreement" in the Offering Plan for further details of the Management Agreement. As per the Schedule B budget, 90% of this expense is weighted towards the residential units, while 10% is weighted towards the commercial unit based on anticipated usage of service.

(10) Legal Fees and Audit Fees: $2,500.00

Based upon the estimate of Frendel, Brown & Weissman LLP, located at 655 Third Avenue, Suite 1400, New York, New York 10017. $2,000 has been budgeted for fees to be incurred in connection with the preparation of the financial statements for the Condominium's First Year of Condominium Operation and its Federal, New York State and New York City income tax returns. The financial statements will be certified by the accountants for the Condominium every year as long as the Sponsor is in control of the Board of Managers. The balance of the budgeted amount ($500) 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. An attorney or law firm has not yet been determined, the Condominium Board will determine an attorney or law firm in the future. Weighting of the expense is allocated based on the percentage of common interest between residential and commercial units.

(11) Contingency Fund $7,846.01

There is a provision in the budget for a Contingency Fund, in the approximate amount of 10% of the annual budget set forth in Schedule B. The Contingency Fund may only be used for capital expenditures and will be maintained in a separate account. No representation is made that the Contingency Fund will be, or is intended to be adequate to cover all future capital expenditures for any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Contingency Fund, it may be necessary to increase the Common Charges. Weighting of the expense is allocated based on the percentage of common interest between residential and commercial units.

IN THE OPINION OF MONARCH REALTY GROUP HOLDINGS LLC, 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, 2024. THE FOREGOING SCHEDULE, 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 SAID SCHEDULE, SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE SCHEDULE.

SCHEDULE B-1

THE 57 LISPENARD STREET CONDOMINIUM

Each Unit Owner will be responsible for the electricity associated with his, her or its Unit. Electricity costs estimates for the Residential Units include the use of appliances and systems in the Residential Units. The costs were estimated by ADG Architecture and Design, P.C. located at 13 West 36th Street, NY, NY 10018 and are based on current charges. Electricity costs are estimated at a rate of $0.25 per KWH, and include applicable taxes and surcharges.

The annual costs are estimated as follows:

Residential Units	Estimated Annual Electricity Costs
2	$3,041.95
3	$3,041.95
4	$3,041.95
PH	$3,041.95

In view of the varying costs of electricity and patterns of usage, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of operation. The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors that are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will vary based on the personal needs of occupants, weather conditions and the cost of utilities.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY IS MADE BY THE SPONSOR OR THE SPONSOR'S CONSULTANT AS TO WHAT AN INDIVIDUAL UNIT OWNER'S COSTS MAY BE.

F. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

MONARCH
REALTY GROUP

Monarch Realty Group
244 Water Street Suite C1, Brooklyn, NY, 11201

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i(1)

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

November 14th, 2023

Re: The 57 Lispenard Street Condominium (the "Condominium")
57 Lispenard Street
New York, New York 10013

Gentlemen/Mesdames:

This letter is with respect to the intent for the referenced premises to be submitted to a form of leasehold condominium ownership and the allocation of the percentage of common interest to the respective units therein.

The undersigned has reviewed the allocation of common interests among the intended units as identified herein below (individually, a "Unit" and together, the "Units"), which are to be included in the Exhibit B to the Declaration of Condominium, to be recorded by applicant in the Office of the Register of the City of New York, New York County.

The common interests among the Units has been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law.

The principals of our firm have been in the real estate management business for a period in excess of twenty-five (25) years. We currently manage residential brownstone and conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium

Monarch Realty Group
244 Water Street Suite C1, Brooklyn, NY, 11201

form of ownership, many of which contain commercial property. Some of the properties that we manage are as follows:

61 Rivington Street, NY NY
298 East 2nd Avenue, NY NY
22 Renwick Street, NY NY
260 Bowery Street, NY NY
10 Lenox Avenue, NY NY

We have no beneficial interest in the declarant and no interest in the profits of this project other than the fee for this service.

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.

Very truly yours,

MONARCH REALTY GROUP HOLDINGS LLC

By: _____

Name: Jason Horowytz

Title: Managing Partner

G. COMMERCIAL UNIT

The Commercial Unit is not presently being offered for sale under the terms of this Plan.

Subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, gallery, commercial or office purposes. Neither the Condominium Board nor any other Person will have no right to restrict or limit any of the uses of, or alterations in or to, the Commercial Unit (including the storefronts thereof) which are permitted by law and applicable zoning ordinances, except as otherwise specifically set forth in the By-Laws and Declaration. Section 6 of the By-Laws provides that the Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. No representation or warranty is made with respect to such initial or any subsequent uses of such Commercial Unit or with respect to who the owner or tenant(s) of the Commercial Unit may be at any time.

As of the date hereof, the Commercial Unit is occupied by retailer Stellar Works USA, Inc. ("Stellar Works"). Sponsor makes no representations or warranties whether Stellar Works will continue to occupy the Commercial Unit or any future tenancy or use of the Commercial Unit.

As discussed in the Notes to Schedule B and so provided in Article 6 of the By-Laws, the Commercial Unit Owner's share of Common Expenses will be limited to a share of only certain components of the Common Expenses, as shown on Schedule B. As more fully set forth in the "Notes to Schedule B", the Commercial Unit Owner will therefore pay only allocated percentages of such components of the Common Expenses, which percentages may be less (or more) than their Common Interest. The allocated share of expenses will result in the Residential Unit Owners having to pay either higher (if fewer services are being provided to the Commercial Unit Owner) or lower (if greater services are being provided to the Commercial Unit Owner) shared expenses of the Condominium. The allocated percentages set forth in the Notes to Schedule B included in this Plan represent a projection of the proportionate usage of the services and facilities in question by the Commercial Unit Owner, as estimated by Monarch Realty Group, an independent expert retained by Sponsor. It is the opinion of Monarch Realty Group as more fully set forth in Exhibit 8D in Part II, that the aforementioned Common Charges payable by the Commercial Unit Owner are sufficient to cover the expenses fairly attributable to the Commercial Unit.

To the extent permitted by law, and subject to certain restrictions set forth in the Declaration and By-Laws, the Commercial Unit Owner will have the right with regard to its Unit, without the vote or consent of the Condominium Board, or any other party, to mortgage or otherwise hypothecate its Unit, to decorate or make alterations in or to the Commercial Unit (including any decorations that are compatible with the first class character and location of the Building, and may install certain equipment on the roof but only to the extent otherwise provided or permitted in the Declaration or By-laws, and also including, without limitation, making alterations, additions or improvements, in, to and upon its Unit (provided, however, that such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to such Commercial Unit which would affect the structural, mechanical, electrical or plumbing elements of the Building), to change the size of its Unit by subdividing it into any desired number of condominium units (or by combining any units resulting from such

subdivision), and to reapportion among the newly created condominium units resulting from any subdivision (or combination) their appurtenant Common Interests, provided that any such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act. As more particularly provided in Article 10 of the Declaration, the Commercial Unit Owner will have the right with regard to its Unit to amend the Declaration in order to reflect such changes, or to cause the Condominium Board to do so. If the Commercial Unit is subdivided or combined, the owner of each Commercial Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Condominium Board or other Unit Owners), set forth above in this paragraph, described as pertaining to the Unit Owner of the original Unit or Units in question.

The Commercial Unit Owner and/or its designee (and their respective successors and assigns) shall have, and the Common Elements shall be subject to, an easement to install, erect, use, license, lease, maintain, repair, replace, improve and operate antennae, satellite dishes and other communications equipment or other systems and facilities that serve the Commercial Unit on a portion of the roof that is not occupied by any Building equipment or installations, solely in connection with the use and operation of the Commercial Unit. In connection with the foregoing, the Commercial Unit Owner shall have, and the Common Elements shall be subject to, an easement to run facilities through the Common Elements to the roof to service any of the installations of the Commercial Unit Owner on the roof. The word "facilities" as used in herein above shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

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

The Condominium Board, Unit Owners (and such other parties as specified in the Condominium Documents) shall have an easement through the Commercial Unit as is necessary to access Common Elements, including without limitation, access through the portion of the Commercial Unit located on the Cellar Level of the Building.

All normal maintenance and repairs of the roof of the Building will be made by the Condominium Board and chargeable to all Unit Owners in proportion to their respective Common Interests; except that if the Commercial Unit Owner, as the holder of the aforementioned easement utilizes the roof of the Building pursuant to such easement (whether on its own behalf or on behalf of a tenant), then such Commercial Unit Owner will be responsible for the normal maintenance and repair of the portion of the roof(s) it (or its tenant) utilizes. Capital repairs and replacements to such roof, other than normal maintenance and repairs, will be charged to all Unit Owners as a Common Expense except to the extent such costs are attributable to the use of areas utilized

pursuant to the above-described easements or are necessitated by the exercise of such easements, in which case the holders of such easement shall be responsible for such costs.

To the extent permitted by applicable law, the Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, either within or in the immediate location of the Commercial Unit, one or more Signs for advertising the operation of business of the Commercial Unit. Such Commercial Unit Owner and any tenant of space in such Unit shall comply with all laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such Signs and/or any necessary renewal fees related thereto.

The Commercial Unit Owner and any tenant or tenants thereof pursuant to the terms of any lease pertaining to the Commercial Unit, shall have an easement, without charge or limitation, to use all or any portion of the sidewalks, including, but not limited to, any plantings and/or planters located thereon, which are directly in front of the Commercial Unit for any lawful purpose and in conjunction with the use of the Commercial Unit.

The Commercial Unit Owner shall have the right to designate one (1) of the three (3) members to serve on the Condominium Board in accordance with the terms of the Condominium By-Laws. The Board member designated by the Commercial Unit Owner shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and vice versa. Additionally, the Board shall not take any action (or fail to take any act) that would reasonably be expected to have a material and adverse effect on the Commercial Unit (and any Limited Common Elements appurtenant thereto, if any) and the Commercial Unit Owner, without the consent of the Board member designated by the Commercial Unit Owner, such consent not to be unreasonably withheld, conditioned or delayed. The foregoing includes the changes to the special allocation of certain Common Expenses as set forth in the Notes to Schedule B included in this Plan

All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in the Plan, if any shall be allocated to and made a part of the Commercial Unit. As of the date of acceptance of this Plan, there are no unused Air Rights, which is subject to change.

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H. CHANGES IN PRICES AND UNITS

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

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

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

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit and/or Common Element from time to time; (b) change the layout of, or number of rooms in, any Unsold Unit; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two (2) or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; (e) change the permitted use of some or all of the Unsold Units; (f) increase the number of Units contained in the Building; and (g) reclassify a Common Element as a Unit and vice versa.

Any such change described in subsections (b) through (f) in the immediately preceding paragraph and any material adverse change in the size or quality of any of the Common Elements shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Condominium Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units.

Unless an affected Purchaser consents (other than Purchasers in default under their respective Agreements beyond all applicable cure periods), Sponsor will not make a material change to the size, layout or percentage of Common Interest of a Unit for which an Agreement has been mutually executed and delivered; and unless all Purchasers consent (other than Purchasers in default under their respective Agreements beyond all applicable cure periods) no material change will be made in the size and no material adverse change will be made to the quality of Common Elements, unless such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the adversely affected Purchaser is offered the right in such amendment, for at least fifteen (15) days, to rescind his or her Agreement and receive a refund of the Deposit, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission. Sponsor reserves the right to make changes that are not a material change in the size, dimension or floor space or layout of such Unit and Common Elements, as well as changes that are not material and adverse to the quality of the Common Elements, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

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I. INTERIM OCCUPANCY AGREEMENTS

Sponsor will endeavor in good faith to sell, but nevertheless reserves the unconditional right, prior to the date of closing title to a Unit, to rent or lease, rather than sell, such Unit to Purchasers and others. There are no limitations of any kind on Sponsor's right to rent rather than sell Units. Although all apartments have been previously occupied by residential tenants, Unit will be delivered at the closing vacant and free and clear of all leases, tenancies and rights of occupancy. However, once an Agreement for a Unit is fully executed and for so long as the Agreement is in effect, such Unit may only be occupied by its Purchaser (unless Purchaser agrees otherwise), and such occupancy by such Purchaser may be prior to consummation of the Plan. No Purchaser shall have the right to occupy any Unit prior to the closing unless Sponsor agrees to permit such occupancy under an interim occupancy agreement (the "Interim Occupancy Agreement"). As of the date hereof, all the Residential Units are vacant.

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

In the event that Purchaser defaults under the Agreement, the same shall constitute a default under the Interim Occupancy Agreement, and Purchaser shall vacate the Unit and surrender the Unit to Seller in the condition he received same no later than two (2) business days after Seller's written notice of Purchaser's default under the Agreement. Additionally, in the event Purchaser rescinds the Agreement pursuant to any right of rescission granted under the offering plan, the Interim Occupancy Agreement shall be deemed terminated as of the date that is thirty (30) days thereafter. The Agreement will contain a provision entitling Sponsor, subject to the terms of the Plan, to terminate the Agreement and retain the Deposit (and any interest thereon) as liquidated damages, and not as a penalty, in the event the Purchaser fails to cure a default under such Purchaser's Interim Occupancy Agreement within the applicable grace period (if any) and either: (a) Sponsor has obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) the Purchaser has vacated the Unit.

No portion of the use and occupancy fee paid under any Interim Occupancy Agreement will be credited towards the Purchase Price of a Unit unless the Interim Occupancy Agreement and the Agreement therefor expressly so provide.

In the event of an amendment to the Plan disclosing a material adverse change pursuant to which a Purchaser is allowed to rescind an Agreement, if a Purchaser who is a tenant under an Interim Occupancy Agreement duly elects to rescind, the Interim Occupancy Agreement made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within thirty (30) days thereafter free of all occupants and in broom clean condition and otherwise in accordance with the terms of the Interim Occupancy Agreement. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said thirty (30) day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to twice the use and occupancy fee under the Interim Occupancy Agreement. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for twice the costs of carrying the Unit (such

as Common Charges, real estate taxes and the allocable portion, based on such Unit's Common Interest, of debt service on any loan covering the Unsold Units) as calculated by Sponsor. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees and expenses.

In the event that Sponsor, in its sole discretion, permits any Purchaser to take occupancy of a Unit prior to closing pursuant to an Interim Occupancy Agreement, such Purchasers are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit and the Common Elements, if any, exclusive and/or appurtenant to his or her Unit including, without limitation, Vestibules, affording protection of at least $1,000,000 per occurrence, plus at least $3,000,000 umbrella liability coverage, and are required to obtain property insurance with respect to the fixtures, furniture, improvements, furnishings within the Unit and other personal property located within their respective Units, but not constituting part of such Unit.

In the event the Plan is abandoned, a Purchaser who has entered into an Interim Occupancy Agreement will have no right to remain in occupancy after the abandonment of the Plan.

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J. PROCEDURE TO PURCHASE

1. Execution of Documents

Any party desiring to purchase a Residential Unit will be required to execute such number of original counterparts of an Agreement as directed by Sponsor (not to exceed four (4) original counterparts of an Agreement), in the form set forth as Exhibit 1 in Part II of the Plan, for each such Residential Unit desired. The Agreement sets forth in detail the terms of sale with respect to the Units offered hereunder and should be read carefully by each prospective Purchaser. In the event of any conflict or ambiguity between the Plan and the Agreement, the provisions of the Plan shall control.

No signed Agreement will be accepted from a prospective Purchaser for three (3) business days following such Purchaser's receipt of a copy of the Plan, including all amendments thereto. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three (3) business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven (7) days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

A Purchaser shall deliver to Selling Agent, together with at least one (1) signed original counterparts of the completed Agreement (or more additional originally signed counterparts, at the discretion of Sponsor), the following: at least one (1) (or more, at the discretion of Sponsor) completed and signed copies of Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) or other appropriate Form W-8, as applicable, in the form required by law (the forms currently required by law are reproduced as Exhibits 1A and 1B in Part II of this Plan).

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

listed as sanctioned by the United States Government shall not be deemed to be a discriminatory act.

2. **Deposits/Escrow**

(a) General

At the time an Agreement is executed, the Purchaser thereunder is required to make a payment in an amount equal to twenty (20%) of the purchase price set forth therein (the "Deposit"). All such payments shall be made, at the direction of Sponsor, either by (i) wire transfer to Escrow Agent (with any wire transfer fees being the sole obligation of the Purchaser) or (ii) an unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." All such checks shall be subject to collection and if any such check is returned for insufficient funds or for any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be cancelled and of no further force or effect, and to retain any Deposit and other amounts previously deposited. At Sponsor's option, Sponsor may require that the Deposit and the balance of the purchase price be made by Purchaser by wire transfer to an account designated by Sponsor (with any wire transfer fees to be paid by Purchaser).

Notwithstanding the foregoing, if a Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser will be required to make an Initial Deposit equal to fifty percent (50%) of the applicable purchase price.

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

Deposits or advances received by Sponsor will be held by Escrow Agent (as defined below) and placed in the Escrow Account (as hereinafter defined) in conformity with the procedure set forth herein. Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b), 352-h and the provisions of Lien Law Section 71-a(3), as applicable. Section 71-a(3) of the Lien Law provides in part that the Deposit be deposited, within five (5) business days thereafter by the recipient thereof in an interest bearing escrow account bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such Deposit, together with the interest accumulated thereon, shall remain the property of the Purchaser except as otherwise provided herein. Sponsor shall advise the Purchaser in writing of the name of the depository where the funds have been placed within ten (1) business days after such Deposit has been made. Sponsor shall have no obligation

to deposit the Deposit in an interest bearing account unless Purchaser has provided a complete and executed copy of a Form W-8 or W-9 in accordance with the terms herein

(b) The Escrow Agent

The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10036, telephone number (212) 715-9100, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, James P. Godman and Tzvi Rokeach. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

(c) The Escrow Account

The Escrow Agent has established the escrow account at Citibank N.A., located at 153 East 53rd Street, New York, New York (the "Bank"), a bank authorized to do business in the State of New York. The name of the Escrow Account will be "The 57 Lispenard Street Condominium Attorney Escrow Account" or similar name (the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

Any deposits or payments made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor.

The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of February 16, 2024 such rate was 3.00% for Deposits of $100,000 and above. The actual initial interest rate for the Escrow Account with respect to any particular Purchaser's Deposit shall be set forth in the notice to be sent to Purchaser (as described below). As noted, the interest rate on such accounts will fluctuate and neither Sponsor nor Escrow Agent makes any representation regarding the rates that will be in effect from time to time or the actual rate of interest on, or the interest that may accrue for any particular account or for any particular Purchaser, from time to time. Interest, if any, shall begin to accrue upon placing the Deposit into the Escrow Account, however, no interest will be earned until the Deposit check is deposited with and collected by the Bank and provided that the Purchaser has delivered the required number of completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit 1A in Part II of the Plan or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the form reproduced as Exhibit 1B in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, as applicable,

the Deposit will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 or Form W-8BEN has been delivered, and neither Sponsor, Selling Agent, the Escrow Agent nor the Bank shall be liable for interest for the period prior to the delivery of such form. Interest will not be earned after a withdrawal is made from the Escrow Account in anticipation of the closing. All interest earned on a Purchaser's Deposit shall be paid to or credited to the Purchaser at closing unless Purchaser has defaulted and Sponsor is entitled to retain the Deposit. No fees of any kind may be deducted from the Escrow Account, and Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

(d) The Agreement

The Agreement is attached hereto as Exhibit 1 in Part II of the Plan. The relevant escrow trust fund provisions are included in a Rider to the Agreement, which must be executed by the Escrow Agent. Purchaser and Sponsor must also each execute such Rider which when fully executed shall constitute a tri-party agreement related to the Deposit.

(e) Notification to Purchaser

Within five (5) business days after the Agreement, countersigned by Sponsor, has been "tendered" (as defined below) to Escrow Agent along with the Deposit, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser and Sponsor that such funds have been placed in the Bank by providing written notice within ten (10) days of placing such deposit in the Escrow Account by Escrow Agent. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five (5) business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice confirming such Deposit may timely be sent to Purchaser.

Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 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 placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

(f) Release of Funds

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Agreement, are and shall continue to be the Purchaser's money,

and may not be comingled with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h.

Except to the extent expressly set forth in the Plan, under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an amendment following the First Closing by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

(g) Waiver Void

Any provision of any Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL

§§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Agreement, Plan, or any amendment thereto.

(h) Other

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

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

Escrow Agent will maintain all records concerning the Escrow for seven (7) years after the release of funds.

Purchasers are advised that Escrow Agent is also acting as counsel to Sponsor; and Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not the Escrow Agent is in possession of the Deposit and continues to act as the Escrow Agent, provided that Escrow Agent shall not violate its obligations with respect to the maintenance or release of the Deposit under the Agreement while it continue to hold such Deposit.

3. Date of the First Closing; Closing Notices to Purchasers

In the event that (i) in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur by the date which is 12 months after July 1, 2024, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then, subject to the next sentence, in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned within a reasonable period of

time. Notwithstanding the foregoing, if the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to rescission only if the First Closing occurs more than twelve (12) months beyond that amended, later date. However, if the First Closing occurs within the First Year of Condominium Operation, the Sponsor may schedule the closings of title to other units significantly later than such date. The Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

As is more particularly set forth in the Section of the Plan entitled "Terms of Sale" as a prerequisite to closing, Sponsor shall provide a Purchaser with at least 30 days' prior written notice setting forth the initial time and place of the closing of title has been given to the Purchaser (unless a Purchaser chooses to waive such 30-day notice).

4. **Default**

In the event a Purchaser defaults under an Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, cancel such Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon, if any. It is acknowledged and agreed by Sponsor and each Purchaser that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of such a default by a prospective Purchaser, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to and retained by Sponsor as Sponsor's sole and exclusive remedy. In such case, Purchaser shall have no further liability to Sponsor in respect of the Agreement (except for those matters expressly specified therein or herein to survive the termination thereof); however, such Purchaser shall not have any right whatsoever to the return of all or any portion of its Deposit (or any interest thereon). The payment of the Deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor. For the avoidance of doubt, no statutory interest will accrue during any period of time during which there is a dispute over the Deposit being held in escrow. For purposes of the Plan and the Agreement, the term "time being of the essence" and terms of similar import shall mean that a failure by Purchaser to do what is required at the time specified in the Agreement is a material breach of the Agreement and constitutes a default entitling Sponsor to the remedies set forth in this Plan and the Agreement. (See the subsection entitled "Deposits/Escrow" above within this Section of the Plan for further discussion.)

Purchasers are advised that notwithstanding the foregoing, including, without limitation, Sponsor not having the right of specific performance, nothing herein shall be deemed to grant Purchaser any right of rescission and/or right to the return of all or any portion of a Deposit except as expressly set forth in the Plan. In the event Sponsor elects not to cancel the Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor

approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that: (a) the Purchaser pay Sponsor interest at a rate of 0.04% per day (or such lower daily rate which is the legal limit, if 0.04% per day exceeds the legal limit) on the total Purchase Price, computed from the original closing date until the transaction is actually closed; and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay.

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

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

5. **Risk of Loss**

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

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

6. **Financing**

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

Purchasers should note that in the current real estate market, banks and other lenders often impose various restrictions on purchase financing. Such restrictions often include requiring that a certain percentage of apartments in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or holder of unsold units has not sold a substantial percentage of the units in the building or group of buildings, which percentage in some cases may be as high as seventy percent (70%). Moreover, some lenders will not provide financing in a building or group of buildings where an investor or single unit owner other than the original sponsor has an ownership interest of ten percent (10%) or more. It also may be difficult for a Unit Owner to resell a Unit if prospective buyers are unable to obtain a loan due to the same minimum sales and investor ownership restrictions.

7. **Transfer (and Mansion) Taxes**

As described more fully in the Section entitled "Unit Closing Costs and Adjustments,"

Purchasers shall be obligated (as is customary in condominium offerings) to pay at the closing of title to their Unit(s) the New York City Real Property Transfer Tax (NYC RPTT) and New York State Real Estate Transfer Tax (NYS RETT) notwithstanding the fact that these taxes are, by law the primary obligation of the seller. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to NYC RPTT. The amounts of NYS RETT, Mansion Tax and Supplemental Tax will not include the amounts of NYS RETT paid by the Purchaser in calculating the consideration subject to such tax. Currently (as of the date of the filing of this Plan), for the purchase of a single residential unit, the New York City Real Property Transfer Tax is 1% of the consideration paid for a unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax is currently $2 for each $500 (or fractional part thereof) of the consideration paid for a residential unit, and an additional $1.25 for each $500 (or fractional part thereof) of the consideration paid for a Residential Unit if the consideration for such Residential Unit is $3,000,000 or more. Purchasers shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax," currently 1% of the total consideration paid when such consideration is $1,000,000 or more, and a supplemental tax pursuant to Section 1402-b of New York State Tax

Law ("Supplemental Tax") if the total consideration for such Residential Unit is $2,000,000 or more, which tax by law is the primary obligation of the Purchaser. The chart below sets forth the aggregate rate of Mansion Tax and Supplemental Tax based on the consideration paid for a Residential Unit. Additionally, Purchasers shall be required to pay various other additional closing costs, fees and adjustments. It is likely that the purchase price together with any other amounts paid by the Purchaser (other than NYS RETT to the extent described herein) which are the obligation of Sponsor, will be added together by the New York State Department of Taxation and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at total consideration for transfer tax, Mansion Tax and Supplemental Tax purposes.

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

In addition to transfer taxes, Mansion Tax and Supplemental Tax, Purchasers shall also be obligated to pay at closing any tax on the transfer of a Residential Unit enacted after the date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind.

The Purchase Price, transfer taxes (to the extent described herein) and any other consideration paid for a Unit will be added together by the New York State Department of Taxation

and Finance and the New York City Department of Finance or, collectively, the "taxing authorities" to arrive at the total consideration for transfer tax, Mansion Tax and Supplemental Tax purposes. However, Sponsor makes no representation regarding the calculation of such taxes or of the "consideration" upon which the taxing authorities may base such taxes and shall have no liability with respect thereto. Purchasers should consult with their own counsel and/or tax advisors.

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

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

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

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

approval from the Department of State; or (ii) 60 days after receipt of such Purchaser's notice by the Department of State.

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

9. Title Company Reporting

On January 13, 2016, the U.S. Financial Crimes Enforcement Network ("FinCEN") issued an order (later publicly supplemented, the most recent supplement being issued on April 29, 2021 and taking effect on May 5, 2021; as same may be further on July 22, 2016, February 21, 2017, August 22, 2017, March 20, 2018, November 15, 2018, May 14, 2019, November 8, 2019, May 8, 2020, November 5, 2020, May 5, 2021, November 1, 2021, April 29, 2022, October 26, 2022, April 25, 2023 and October 22, 2023 as supplemented, the "Order") requiring title companies to collect and report certain information about persons involved in residential real estate transactions in Manhattan for closings occurring until the expiration of the effective period of such Order, currently April 18, 2024 (subject to extension). Pursuant to the last publicly published version of the Order, title companies are required to disclose the identities of the beneficial owner(s) or holder(s) of 25% or more of the direct or indirect equity or beneficial interests in a purchasing entity in residential real estate transactions where: (a) Purchaser is a legal entity as defined in the Order; (b) the total purchase price is in excess of $300,000; (c) Purchaser does not obtain external financing; and (d) the Deposit or Balance is made, at least in part, using currency, a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer or virtual currency. Purchasers and their attorneys should confer with Purchaser's title insurance company immediately to determine the applicability of these new requirements to this transaction and, to the extent the same are applicable, make arrangements with the title company to provide it in advance of closing with any necessary information in order to permit the title company to insure title and comply with the title company's closing and reporting requirements under the Order. Sponsor shall have no obligation whatsoever in connection with satisfying any requirements of Purchaser's title insurer or otherwise with respect to the Order; and Purchaser will be fully liable for any additional costs or delays to closing relating thereto. As of the last publicly published Order, as used herein, "legal entity" is defined in the Order as including United States or foreign corporations, limited liability companies, partnerships or other similar business entities, other than a business whose common stock or analogous equity interest are listed on a securities exchange regulated by the Securities Exchange Commission ("SEC") or a self-regulatory organization registered with the SEC, or an entity solely owned by such a business. Purchasers should consult with their attorneys and their title company to fully understand the reporting requirements of the Order.

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K. ASSIGNMENT OF AGREEMENTS

An Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to assign its rights under an Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by, the Purchaser that differs from the name on the Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to Selling Agent or Sponsor's Closing Counsel, four signed assignments of the Agreement (to be prepared by Sponsor's Closing Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of Form W-9 (Request for Taxpayer Identification Number and Certification), Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) or other appropriate Form W-8, as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Forms W-9, Forms W-8BEN or other appropriate Form W-8, as applicable, must be delivered to the Selling Agent or Sponsor's Closing Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,500 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser (or its assignee or any added or substituted party) have the right to adjourn or postpone the closing as a result of such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Agreement; and the prohibition against advertising or listing any Unit(s) for sale or resale with any broker or otherwise advertising, promoting or publicizing the availability of such Unit(s) for sale shall remain in effect.

In connection with the foregoing, if Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, a limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall be considered an assignment and shall be subject to the provisions, prohibitions and terms of the Plan concerning assignment, except that a sale of 49% or less of the stock, or in the case of a partnership, limited liability company or other entity, 49% or less of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of 51% or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

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L. EFFECTIVE DATE

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

The Plan may be declared effective, at Sponsor's option, when bona fide Agreements (including those executed by investors) have been executed and are in effect with respect to not less than one (1) Unit, representing at least fifteen percent (15%) of the Units offered hereby. The Plan must, however, be declared effective when bona fide Agreements have been executed and are in effect with respect to at least four (4) Units representing 80% or more of such Units.

The Plan will not be declared effective based on an Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) subject to the immediately preceding clause "(i)", signed by a Purchaser not afforded the three (3) business day period to review the Plan (prior to executing an Agreement) provided for in the Section entitled "Procedure to Purchase" above in Part I of the Plan; or (iii) entered into with a Purchaser who is Sponsor, Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such Purchaser is bona fide. Except as otherwise limited by this Section of the Plan, all four (4) Units shall be counted toward declaring the Plan effective.

The Plan will be declared effective by personal service of a notice on each Purchaser or by commencement of service by mail stating the date that the Plan was declared effective, the percentage used to declare the Plan effective and a list of the Units being counted to meet the minimum percentage under the terms of the Plan to declare the Plan effective. A closing may occur without the Sponsor's submitting an amendment to the Department of Law to declare the Plan effective, however, that Sponsor shall have complied with the requirements of Section 20.5 (e) of the DOL Regulations when submitting a post-closing amendment to this Plan pursuant to Section 20.5 (f) of the DOL Regulations. "DOL Regulations" refers to NYCRR Title 13, Part 20 – Regulations Governing Newly Constructed, Vacant or Non-Residential Condominiums.

Notwithstanding the foregoing, or the fact all Purchasers used for purposes of declaring the Plan effective may not actually close title to their respective Units, Sponsor must redeclare this Plan effective in order to consummate the Plan (in accordance with 13 NYCRR 20.1(c)(6) of the Attorney General regulations) in the case that all Agreements are either rescinded or terminated prior to the date of the First Closing, regardless of whether the Condominium Documents been recorded.

The Plan may be withdrawn or abandoned by Sponsor, at its option, for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, it may not be abandoned or withdrawn, except that prior to the First Closing, the Plan may be abandoned at the option of Sponsor in the event of: (i) the existence of one or more defects in title (including violations of record or work orders of an insurance carrier) affecting any one or

more Units and/or the Common Elements which cannot be cured, removed or complied with except through litigation or the expenditure of more than one-half of one percent of the total initial offering hereunder in the aggregate (as estimated by Sponsor); (ii) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty which cannot be cured or repaired for less than one-half of one percent of the total initial offering hereunder in the aggregate (as estimated by Sponsor); or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. In calculating the costs referred to in clauses (i) and (ii) above, any defects in title (including violations or work orders) that existed on the date the Units were initially offered for sale under the Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

In the event of a withdrawal or abandonment of the Plan, Sponsor will promptly submit an amendment to the Department of Law to such effect, together with such forms as may be required by law. Purchasers will be notified in writing of a withdrawal or abandonment of the Plan. All Deposits, together with any interest earned thereon, will be returned to Purchasers within five (5) days after an amendment abandoning the plan has been accepted for filing. Upon the return or retention of the Deposit, together with interest earned thereon, the Agreement pursuant to which such Deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Agreement.

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M. TERMS OF SALE

1. Prerequisites to Closing of Title

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

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

(b) a temporary or permanent certificate of occupancy for the Unit is in effect (which are the Sponsor and principal's obligation to extend, in the case of the TCO and procure, in the case of the PCO);

(c) the Declaration, By-Laws, Floor Plans and such other documents as may be required by law have been filed with the New York City Department of Finance, Tax Map Unit and recorded in the Office of the Register of the City of New York, as the case may be, or have been submitted to Sponsor's title insurance company for recording in the Office of the Register of the City of New York;

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

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

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

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

At the closing of title to each Unit, Sponsor shall execute and deliver to the Purchaser a bargain and sale deed with covenant against grantor's acts, substantially in the form of the Unit Deed set forth as Exhibit 3 in Part II of the Plan, conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances set forth in Schedule A to the Form of Agreement, Exhibit 1 in Part II of the Plan. The Purchaser shall also sign the Unit Deed.

Simultaneously with the delivery of the Unit Deed, the Purchaser shall pay the balance of the purchase price and the closing apportionments and costs described below in the Section entitled "Unit Closing Costs and Adjustments.". Payments shall be made, at the direction of Sponsor, either by (i) wire transfer to Escrow Agent (with any wire transfer fees being the sole obligation of the Purchaser) or (ii) by official bank or cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor

notifies the Purchaser prior to the closing. Purchasers are advised that uncertified attorney escrow checks and other non-conforming checks may not be accepted by Sponsor. Any delay in closing occasioned by the presentation of such checks shall be deemed to have been caused by Purchaser and may, at the option of Sponsor, constitute a default under the Agreement and/or give rise to additional costs or expenses to be borne by Purchaser. At Sponsor's option, Sponsor may require that the balance and closing apportionments and costs described in "Unit Closing Costs and Adjustments" in Part I below be made by Purchaser by wire transfer to an account designated by Sponsor (with any wire transfer fees to be paid by Purchaser).

All personal property, if any, located within the Unit on the date an Agreement is signed, or located within the Common Elements on the date the Declaration is filed, that is owned by Sponsor, is included in the conveyance to the extent set forth in the Description of Property and Specifications included in Part II hereof.

3. **Tax Returns and Power of Attorney**

Each Purchaser will also be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth as Exhibit 2 in Part II of the Plan. Failure by any Purchaser to deliver such documents at closing shall constitute an event of default under a Purchaser's Agreement, entitling Sponsor to all remedies set forth in such Agreement.

4. **Tax-Deferred Exchanges**

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

N. UNIT CLOSING COSTS AND ADJUSTMENTS

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

1. Title Insurance: If the Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. A reduced rate for fee and mortgagee title insurance may be available if the Purchaser obtains a mortgage loan, and fee and mortgagee title insurance are ordered simultaneously. A Purchaser may obtain title insurance from any title insurance company selected by Purchaser. Sponsor makes no representation or warranty regarding the terms of any such insurance.

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

3. Transfer Taxes and Mansion Tax: The New York City Real Property Transfer Tax ("NYC RPTT") is currently, for the purchase of a single Residential Unit, one percent (1%) of the consideration paid for a Unit if such consideration is $500,000 or less and 1.425% of the consideration if such consideration is more than $500,000; and the New York State Real Estate Transfer Tax ("NYS RETT") is as of the initial filing date of this Plan, $2 for each $500 (or fractional part thereof) of the consideration and an additional $1.25 of each $500 (or fractional part thereof) if the consideration for such Residential Unit is $3,000,000 or more. For purposes of calculating the taxes payable, NYC RPTT will include the amounts of such taxes in the consideration subject to tax. NYS RETT, Mansion Tax and Supplemental Tax will not include the amounts of NYS RETT paid by the Purchaser in calculating the consideration subject to such tax. Therefore, the steps to compute the taxes payable are:

(i) compute the tentative NYC RPTT by multiplying the original consideration (i.e., the purchase price together with any other consideration or amounts payable by Purchaser which are the obligation of Sponsor) by the NYC RPTT rate;

(ii) compute the tentative NYS RETT by multiplying the original consideration by the NYS RETT rate;

(iii) compute the taxable consideration for NYC RPTT by adding (i), the tentative NYC RPTT and (ii), the tentative NYS RETT to the original consideration;

(iv) multiply (iii), the taxable consideration, by the NYC RPTT rate to determine the actual NYC RPTT payable;

(v) compute the taxable consideration for NYS RETT by adding the tentative NYC RPTT to the original consideration; and

(vi) multiply (v), the taxable consideration for NYS RETT, by the NYS RETT rate to determine the actual NYS RETT payable.

As an example, in respect of a Unit purchased with consideration in the amount of $4,200,000 (which, in addition to the purchase price, would include any other consideration or amounts paid by Purchaser which are the obligation of Sponsor (other than the NYC RPTT Tax and the NYS RETT)), the transfer tax calculation is as follows: (i) $4,200,000 x 1.425% = $59,850; (ii) $4,200,000/$500 x $3.25 = $27,300; (iii) $59,850 + $27,300 + $4,200,000 = $4,287,150; (iv) $4,287,150 x 1.425% = $61,091.89; (v) $4,200,000 + $59,850 = $4,259,850; (vi) $4,259,850/$500 x $3.25 = $27,689.00. Mansion Tax and Supplemental Tax (described below) in the amount of $63,897.75 ($4,259,850 x 1.5%) would also be payable.

If the purchase price together with other consideration paid for a Residential Unit is $1,000,000 or more, Purchaser will also pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently (as of the initial filing date of this Plan) one percent (1%) of the consideration, and a Supplemental Tax ("Supplemental Tax") pursuant to Section 1402-b of New York State Tax Law if the total consideration for such Residential Unit is $2,000,000 or more (the computation of which shall include transfer taxes, as described above). The chart below sets forth the aggregate rate of Mansion Tax and Supplemental Tax based on the consideration paid for a Residential Unit.

Consideration amount	**NYS Mansion and Supplemental Tax Aggregate Rate**
Under $1 million	Not subject to tax
At least $1 million, but less than $2 million	1%
At least $2 million, but less than $3 million	1.25%
At least $3 million, but less than $5 million	1.5%
At least $5 million, but less than $10 million	2.25%
At least $10 million, but less than $15 million	3.25%
At least $15 million, but less than $20 million	3.5%

At least $20 million, but less than $25 million	3.75%
More than $25 million	3.9%

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

In addition to the NYC RPTT, NYS RETT, Mansion Tax and Supplemental Tax, Purchasers shall also be obligated to pay at closing any tax on the transfer of a Residential Unit enacted after the date of this Plan (any such tax, an "Additional Tax"), regardless of whether such Additional Tax is by law the primary obligation of the seller or Purchaser. For example (and without limitation), if New York City were to impose a modified version of the Mansion Tax or other supplemental tax on the sale of residential condominium units exceeding a certain purchase price, such a tax will be payable by Purchasers. Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind.

Under the current policies of the New York City Department of Finance (the "Department of Finance"), where a Purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer (a "bulk sale"), the NYC RPTT rate will be imposed at non-residential rates, i.e., where the consideration is $500,000 or less, the rate will be 1.425%, and where the consideration is in excess of $500,000, the rate will be 2.625%. This may be the case even if the Residential Units are transferred to the Purchaser pursuant to separate sales contracts with separate closing dates. The Department of Finance has taken the position that the consideration for the transfer of each Residential Unit under a deed in a bulk sale is not aggregated with the consideration for the other such deeded transfers in the same bulk sale for purposes of determining the rate to be applied to each Residential Unit transfer (i.e., the 1.425% rate or the 2.625% rate). The Department of Finance has stated that application of the bulk sale rules are made on a case-by-case basis depending on the particular facts and circumstances and there is no guarantee that the Department of Finance will not change its position with respect to the foregoing. Consideration is also not aggregated for Mansion Tax purposes. Purchasers will be required to pay the Mansion Tax on each Residential Unit in a bulk sale if the

total consideration attributable to such Unit is $1,000,000 or more and Supplemental Tax on each Residential Unit in a bulk sale if the total consideration attributable to such Unit is $2,000,000 or more. Moreover, in the event Sponsor makes a bulk sale of Unsold Units, the transferee is entitled to and bound by those additional rights and obligations (including the obligation to make good faith efforts to sell the Units) applicable to a "sponsor" as more fully described in the Plan.

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

5. Mortgage and Related Costs: If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording taxes (taking into account, however, any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by Purchaser's lender, which closing costs may include, but are not limited to, mortgage broker fees, the fees of such lender's counsel, recording charges and mortgage title insurance. Currently, the New York State and New York City mortgage recording tax levied on individual residential condominium Units located in New York City is $2.05 for each $100 (and each remaining major fraction thereof) with respect to mortgages of less than $500,000, and $2.175 for each $100 (and each remaining major fraction thereof) with respect to mortgages in the amount of $500,000 or more (less, in each case, a $30.00 credit). The two mortgage recording tax rates described in the previous sentence are comprised of the New York City mortgage recording tax ($1.00, or $1.125 in the case of individual residential condominium Unit mortgages in the amount of $500,000 or more); and the New York State Basic ($.50), Additional ($.30); and Special Additional ($.25) mortgage recording taxes. Mortgage lenders may require borrowers to pay mortgage recording taxes. However, with respect to individual residential condominium Units, mortgage lenders may not require borrowers to pay, subject to certain statutory exceptions, the special additional mortgage recording tax, which accounts for $.25 of the New York State rate (as previously described in this paragraph 5). Mortgage lenders also may require borrowers to pay deposits for Common Charges, real estate taxes, fire and casualty insurance premiums, assessments and water charges and sewer rents. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage financing from any sources. As previously stated in subparagraph (4) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor and such Purchaser will cooperate with

Sponsor in obtaining such credit. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. Alternatively, Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a loan secured by a mortgage (the "Purchaser Mortgage"), Purchaser must cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchaser Mortgage as determined by Sponsor. Upon such assignment, the Purchaser Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of the mortgage tax credit, which Purchaser receives as a result of such assignment. Accordingly, at the Closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption.

6. Closing Fees: For each Unit, the sum of $4,200 shall be payable to Sponsor's Counsel as a per unit base closing fee. If Purchaser obtains mortgage financing, an additional fee of $850 shall be payable by Purchaser to Sponsor's Counsel. If Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's Counsel, or if the Purchaser otherwise requests the Closing to occur other than at the office of Sponsor's Counsel (or such other place as Sponsor may designate in its closing notice), provided that Sponsor consents, the closing may be held either (y) elsewhere in Manhattan, provided that an additional travel fee of $700 is paid to Sponsor's Counsel; or (z) in a borough other than Manhattan, provided that an additional travel fee of $875 is paid to Sponsor's Counsel. In addition: (i) if, through no fault of Sponsor, the closing is adjourned (or is not concluded in its entirety on the day it commences), the Purchaser will be required to pay to Sponsor's Counsel an additional fee of $400 for each adjournment (or continuation) to prepare and/or coordinate the new closing (or continuation); (ii) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,500, payable in advance; (iii) $300 for the preparation of ACRIS transfer documents required by the City of New York; and (iv) $875 in connection with the consideration, review and processing of any agreement of exchange or the like which Sponsor is requested to execute in connection with any tax deferred exchange under §1031 of the Internal Revenue Code. Purchaser may be required to pay more than one fee pursuant to the preceding provisions of this paragraph with respect to a single Unit. Other additional charges may apply. At Sponsor's option (in its sole discretion), any one or more of the foregoing fees to be paid to Sponsor's Counsel shall be paid by Purchaser prior to closing upon notice to Purchaser.

7. Working Capital Contributions: A contribution to the Working Capital Fund in an amount equal to two (2) month's Common Charges then in effect for the Residential Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time.

8. Common Charges: In addition to the contribution to the Working Capital Fund as described in paragraph 7 above, Purchaser will pay to the Condominium Board the Common Charges for the Unit for the first full month following the month in which title closes. If Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), Purchaser shall pay to the Condominium Board an amount equal to the

Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such 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 paid in advance to the extent required for the payment of any Common Charges or any other sum as to which such Unit Owner is in default; and such Unit Owner shall, within thirty (30) days after notice from the Condominium Board, deposit with such Board the amount so applied or retained so that at the option of the Condominium Board, such Board shall have the full amount of said security on hand at all times.

The following table illustrates the projected amounts of the costs set forth in this section of the Offering Plan for a Unit purchased by a Purchaser for a purchase price of $4,475,000, assuming such Purchaser finances seventy-five percent (75%) (i.e., $3,356,250) of the purchase price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$16,374.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$450.00
Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	$225.00
- mortgage recording tax (at 2.175% of $3,356,250 less $30.00 credit and assumes 0.25% to be paid by lending institution) (Purchaser may be required to pay a portion of such tax directly to Sponsor)	$ 64,578.78
- mortgage title insurance (if purchased simultaneously with fee insurance)	$3,123.00
- other bank charges ("assuming points" of 1% of mortgage amount, an appraisal fee of $400 and legal fees of $500 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$34,462.50
New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax (approximate)	$94,595.45
New York State Mansion Tax and Supplemental Tax	$68,081.53
Working Capital Payment	$3,172.00

Closing Fee (assuming the closing occurs at the offices of Sponsor's Counsel) and, other than in respect of a mortgage, Purchaser has not incurred any additional fees as set forth above)		$5,050.00
ACRIS Transfer Document Preparation Fee		$300.00
Mortgage Closing Coordination Fee		$850.00
	TOTAL	$291,262.26

The projected closing costs referred to above are approximate and are not guaranteed. The mortgage loan closing costs vary widely among different lenders and also will vary depending on the loan program chosen.

In addition, the closing, adjustments will be made between Sponsor and the Purchaser with respect to: (a) real estate taxes and assessments, if any (including water charges and sewer rents if separately assessed) on the basis of the period for which assessed; (b) Common Charges for the month in which title closes; and (c) accrued rent and any other charges pursuant to any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser had been allowed to lease, occupy or rent such Unit prior to the closing. Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Condominium Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period calculated on the basis of the Common Interest.

Until the Units are separately assessed and billed for real estate tax purposes, the Condominium Board (or Sponsor on the Condominium Board's behalf) shall timely pay real estate taxes assessed against the Property, to the Department of Finance of The City of New York. Each Unit Owner shall be responsible for reimbursing the Condominium Board for its allocable share of such real estate tax payments made on behalf of the Unit Owners in proportion that the Common Interest of each such Unit Owner's Unit bears to the Common Interest allocated to all other Unit Owner's Units (and to the extent that Sponsor made any payments on behalf of the Condominium, the Condominium Board shall reimburse Sponsor within ten (10) days of its written request therefore). In addition, to the extent that the Units will not be separately assessed for the next tax periods, Sponsor may collect at Closing real estate taxes due and payable for the next tax periods in which the Units may not be separately assessed. If any Unit Owner fails to pay such Unit Owner's pro rata share of real estate taxes to the Sponsor as set forth above, Sponsor shall have the right to cause the Condominium to bill such non-paying Unit Owner such expense as part of its Common Charges and the Condominium Board shall have the right to place a lien on such Unit for non-payment of Common Charges. Once the real estate taxes for each of the Units (as described herein) are separately assessed, the Unit Owners will be responsible for making payments directly to the taxing authority.

If the Units have not been separately assessed for real estate tax purposes prior to the First Closing, Sponsor may place in escrow, in the name of the Condominium Board, an amount equal to the unpaid real estate taxes which will be levied against the Property for the six month period following the First Closing. Alternatively, the Sponsor may place in escrow, in the name of the Condominium Board, an amount equal to the real estate taxes attributable to the Unsold Units for such six-month period and may collect at each Unit closing the estimated amount of taxes attributable to such Unit for the balance of the six-month period. The Condominium Board will pay the real estate taxes from any escrow account when taxes are due and payable and the Sponsor, as the funder of such escrow, will be entitled to reimbursement from Unit Owners to the extent of the actual assessment paid by Sponsor. If any Unit Owner fails to pay such Unit Owner's pro rata share of real estate taxes to the Sponsor as set forth above, Sponsor shall have the right to cause the Condominium to bill such non-paying Unit Owner such expense as part of its Common Charges and the Condominium Board shall have the right to place a lien on such Unit for non-payment of Common Charges. Once the real estate taxes for each of the Units (as described herein) are separately assessed, the Unit Owners will be responsible for making payments directly to the taxing authority.

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O. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations

a. Units Offered in "As Is" Condition

The building is comprised of 5 stories above grade with one below grade cellar and, to the best of Sponsor's knowledge, was originally constructed in approximately 1860-1861 and was most recently renovated in 2018 (the "Building"). The Common Elements amd Residential Units are being offered and will be delivered in their existing "AS IS" "WHERE IS" condition in which they exist at the time a purchaser signs an Agreement, subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing. Sponsor will maintain each of the Units, and fixtures and personalty, up to the time of the transfer of title to the Unit in question. Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor is not intending on making any material upgrades to the Common Elements at this time.

Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan.

Sponsor anticipates that the closing of title to Residential Units may begin in or about July 1, 2024

Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Residential Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Residential Unit is accelerated, delayed or postponed by Sponsor, provided, however, that (i) in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur by the date which is 12 months after July 1, 2024, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation (or such other date projected as the date of commencement of operation, as may be set forth in an amendment to the Plan), then, subject to the next sentence, in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than fifteen (15) days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Deposit and any interest accrued thereon returned within a reasonable period of time. Notwithstanding the foregoing, if the Plan is amended to provide for a later projected date for the First Closing, Purchasers will be entitled to rescission (as described in the immediately preceding sentence) only if the First Closing occurs more than twelve (12) months beyond that amended,

later date. However, if the First Closing occurs within the First Year of Condominium Operation, the Sponsor may schedule the closings of title to other units significantly later than such date

However, if the First Closing occurs within the First Year of Condominium Operation, the Sponsor may schedule the closings of title to other units significantly later than such date. The Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. Purchasers' rights as described in this paragraph are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section entitled "Effective Date" in Part I of the Plan, no closing of title to any Unit offered hereunder will take place prior to the Plan being declared effective.

Sponsor reserves the right, without prior notice to Purchasers or amendment of this Plan (but subject to obtaining any required approval(s) of any governmental authorities having jurisdiction), to: (a) amend from time to time any of the Plans and Specifications (including changes in layouts and designs and changes affecting the materials, appliances, equipment, fixtures and other construction details); and/or (b) substitute materials, appliances, equipment and fixtures that are of Equal or Better Quality and design in place of those described in the Plans and Specifications. With regard to size, 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 a material change. Unlike other new developments, the Property is constructed and accordingly, Purchasers are advised to carefully inspect the size of the Unit prior to executing an Agreement. There is a rebuttable presumption that an area that is diminished by 5% or less or any increase in size of a Residential Unit is not material. Any such change, if material, shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. No such change will be made if the same would materially adversely affect any Purchaser under an Agreement which has been countersigned by Sponsor and returned to the Purchaser, unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such material adverse change, offer the affected Purchaser(s) the right, for at least fifteen (15) days after the presentation date of such amendment, to rescind their Agreement(s) and receive a refund of their Deposit(s), together with all interest earned thereon within a reasonable period of time. A Purchaser will not be excused from purchasing a Unit by reason of a minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

Sponsor will not be responsible for correcting any defects in construction or installation or operation of any appliances; or for any condition resulting from normal wear and tear or natural deterioration or from settling or shifting of the Building, or for defects, such as, without limitation, partial or total demise of any landscape improvements, nail pops, ridging on gypsum board or sheet rock walls, lumber shrinkage, doors or windows sticking due to weather, door warpage, grouting cracks, scratches in formica, porcelain or other surfaces, bath and kitchen

tile grouting cracks, adjustment of any bi-fold doors, walls not square, electrical plates not straight, discolorations or shrinkages, settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks, ceiling imperfections, slight separation in joints of kitchen tile or wood flooring, warping, cupping or creaking of wood flooring or any nicks, scratches, gouges, imperfections or discolorations thereof, floors out of level, variations in width, length or tone of wood floor strips or other flooring or floor finishes, also, shrinkage or expansion of wood flooring due to changes in moisture content of wood, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settling (including, without limitation, concrete or drywall cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or carpet discoloring and stretching; or for paint touch-ups or for repair of chips, mars, breaks or other defects in windows, and window sashes, sliding glass doors, lighting fixtures and globes, interior painted surfaces, sinks, tubs, bowls, shower doors, kitchen cabinets, counter tops, vanity tops and bases, medicine cabinets, doors, mirrors, saddles, appliances, woodwork, doors, hardware, flooring and appliance cabinets, salting, or color variation in exterior colored mortar and deep colored brick, ponding and/or controlled drainage on the roof surface, or cracks in any pressure treated wood or redwood used or intended for use outside the Building. Sponsor has no obligation to make any repairs of any kind and for the avoidance of doubt, Sponsor is not responsible for any conditions caused by a Purchaser's conduct. The foregoing notwithstanding, nothing contained herein is intended to relieve Sponsor of liability for actual damages resulting from property damage or personal injury arising as a result of negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan.

Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of: (i) any immaterial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan; or (ii) variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of Equal or Better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation which is material will be disclosed in a duly filed amendment to the Plan. Sponsor is obligated to complete construction in accordance with all applicable laws and codes and in accordance with filed building Plans and Specifications.

The Purchaser of a Unit shall have a right of access to such Unit prior to the closing date solely for purposes of visually examining the Unit. For the avoidance of doubt, nothing contained herein shall be construed to mean that (i) Purchaser has any inspection rights with regard to the Unit, (ii) any home inspector, contractor or other professional is permitted to have access to the Unit prior to Closing, and (iii) Sponsor is obligated to perform any work to the Unit, including without limitation, any "punchlist" work, except as may be expressly provided otherwise under the Agreement. Sponsor shall have a right to limit the number of individuals who may accompany Purchaser in its visual examination of the Unit.

The Housing Merchant Implied Warranty Law (New York State General Business Law Article 36-B) is not applicable to this offering, as it is only applicable to the sale of new homes.

Sponsor shall deliver all "as built" plans in Sponsor's possession to the Condominium Board.

b. **Real Property Law §339-kk**

Section 339-kk of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, applies to all condominiums in the State of New York, and provides additional financial protection for a condominium association if the sponsor or other non-occupant Unit Owner of a Unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's Units.

With respect to unsold Units of a condominium owned by a sponsor or by any other non-occupant Unit owner and occupied by a tenant, RPL §339-kk provides as follows:

(a) If payment of common charges, assessments or late fees by any non-occupant Unit owner is more than sixty (60) days late after the expiration of any grace period within which they are due, payments from a tenant of such Unit may become directly payable to the condominium upon written notice by the condominium to the tenant and the non-occupant Unit owner. Where a majority of the condominium board has been elected by Unit owners who are in occupancy of their respective Units, the condominium board may elect not to require that the rental payments be paid to the condominium. Once the common charges, assessments and late fees of the non-occupant Unit owner have been brought current, the condominium board must notify the non-occupant Unit owners and tenant within three business days and thereafter the rental payments will be payable to the non-occupant Unit owner or a designated agent.

(b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the condominium pursuant to the RPL §339-kk, relieves the tenant from the obligation to pay rent to the non-occupying Residential Unit owner.

(c) Any rights existing under any other laws are not limited by RPL §339-kk.

(d) A non-occupant Unit owner who disputes a condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the condominium board, which must be held within thirty (30) 30 days after receipt of notice that the Unit owner seeks to dispute the condominium's claim.

Sponsor makes no representation or guaranty that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

In addition, Sponsor makes no representation as to (i) RPL §339-kk's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant Owner and secured by a Unit, or whether RPL §339-kk's enactment or compliance therewith by a tenant constitutes a default by the Unit Owner under said loan, (ii) RPL 339-kk's effect on assignments of leases and rents given by a non-occupant Owner to mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a

tenant, or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant Unit Owner is brought current in payment of Common Charges, assessments and late fees.

No representation is made about the tax effects of RPL §339-kk.

Prospective Purchasers should review RPL §339-kk to determine its effect on their own situation.

c. **Payment of Expenses**

All costs and expenses in connection with the performance of Renovations (including all sums properly due to contractors, subcontractors, suppliers and all others involved in such construction for work performed and fixtures, material and equipment supplied or installed) will be paid by Sponsor. Sponsor will cause all mechanic's liens arising out of the performance of Renovations to be bonded or discharged promptly after Sponsor receives notice of the filing of the same. Alternatively, Sponsor will cause the Title Company or the title insurance company insuring a Purchaser's title to a Unit to affirmatively insure against collection of such liens out of, or enforcement of the same against, such Unit by posting a bond or bonds or escrowing a sum of money. However, if a Purchaser's title insurance company refuses to grant such affirmative insurance and the Title Company would have been willing to grant the same at its regular rates without additional premium, neither such lack of affirmative insurance nor the existence of the liens in question will constitute a valid objection to title.

Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium and the preparation of the Plan and all selling expenses and compensation payable to Selling Agent or other personnel of Sponsor.

d. **Assignment of Warranties**

Upon the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from its contractors, suppliers or others in connection with the performance of Renovations and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Residential Unit shall be assigned to the Purchaser of such Unit on the date of closing of title thereto. Warranties with respect to the Building, if any, will be held by the Condominium Board on behalf of all Unit Owners as to whose Units such warranties pertain. Given that Sponsor is not performing any new upgrades to the Building and the Units and Common Elements are being sold in their "As Is" condition, Sponsor makes no representations or warranties as to whether any warranties will be in place with respect to the Building as of the date of any closing.

e. **Certificate of Occupancy**

A permanent certificate of occupancy was issued for the Building On October 11, 2018 (CO Number: 122396040F).

f. **Architect's Inspection and Certification**

In accordance with Section 339-p of the New York Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with appropriate governmental authorities.

g. **Payment of Common Charges and Real Estate Taxes**

Sponsor will pay all Common Charges, real estate taxes and special assessments attributable to the Unsold Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Units and 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 has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to Unsold Units.

h. **Insurance**

Sponsor will initially procure on behalf of the Condominium Board, to take effect on or before the date of the First Closing, the insurance required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see "Rights and Obligations of the Unit Owners and the Condominium Board" in Part I, Section R), the cost of which insurance has been reflected in the projected budget set forth as Schedule B in Part I. Such required coverage(s) may be satisfied by any so-called builder's risk policy or other policy obtained by Sponsor, provided the limits and terms of coverage set forth in Schedule B are provided under such policy. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

For the avoidance of doubt, each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.) the front entrance door and any other entrance doors to such Unit, (including all locks, peep holes, door jams, trim and hardware), interior doors and hardware, hallways serving a Unit exclusively, the interior walls, partitions, sheetrock and plaster wall covering, wood or other floors (including all underlayerments above the concrete slab) and floor coverings and ceilings (including all materials beneath the concrete slab), affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, all window blinds or draperies and associated hardware, all plumbing, gas and heating fixtures, equipment and appliances, including without limitation, refrigerators, freezers, microwaves, dishwashers, ovens, stoves or stovetops, laundry washers and dryers, heating, ventilating and air-conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, electrical panel boxes, lighting and electrical fixtures and switches and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit to the extent located within a Unit from the electrical panel box (including electrical branch wiring but excluding electrical service risers) and serving or benefiting only that Unit, sinks, bathtubs, showers, waterclosets, medicine cabinets and vanities, built-in cabinetry of any type, backsplashes in kitchen and bathrooms, kitchen and bath

cabinets, countertops in kitchens and bathrooms, wall accessories, trim and moldings. Each Residential Unit Owner shall also be responsible for all other facilities as may be affixed, attached or appurtenant to such Unit. Plumbing, gas and heating fixtures and equipment as used in this paragraph shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, flues or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures of facilities (as defined in the Declaration affixed to the Unit. The Commercial Unit shall also include all windows and storefronts appurtenant to the Commercial Unit.

i. **Right of Access; Easements**

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to the Common Elements for the purpose of performing certain alterations and repairs in or about the Unsold Units, complying with and fulfilling each such party's obligations as set forth in the Plan and other documents relating to the Renovations, development and operation of the Property (including the Units therein) and exercising its other rights or performing its other obligations under a Unit Agreements and Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. Sponsor and any successor Sponsor's rights under this Section O(i) shall continue (a) notwithstanding that no Unsold Units remain, and (b) until Sponsor has no remaining obligations under the Offering Plan or under a Unit Agreement, or otherwise.

As more particularly set forth in the Declaration, the Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to and within each Unit and any Common Element (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, the Declaration or the Rules of Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Residential Common Elements) contained therein or elsewhere in the Property, including without limitation, correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

j. **Dissolution**

In the event of the dissolution or liquidation of Sponsor, or the transfer of twenty percent (20%) or more of the total number of Residential 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 of the obligations of Sponsor for those Units under the Plan and applicable laws or regulations (including, without limitation, Sponsor's representation that sponsor will endeavor in good faith to sell the Units offered hereunder but subject to the reservation of the unconditional right to rent or lease, rather than sell, such Units).

k. **Use of Unsold Units**

Sponsor and its designee reserve the right to use or occupy or to rent, hire or lease any Unsold Unit to any Purchaser or non-purchasers at any time, both before and after the First Closing. Sponsor will endeavor in good faith to sell, but nevertheless, reserves the unconditional right, to rent or lease such Unit to Purchasers and others after consummation of the Plan. Unless otherwise specifically agreed to in writing by Sponsor and such Purchaser, such Unit will be delivered at closing free and clear of all leases and tenancies and rights of occupancy. Moreover, once an Agreement is signed for a Unit, and for so long as such Agreement is in effect, such Unit may be leased only to the Purchaser listed on the Agreement.

Notwithstanding the foregoing or anything contained herein, in the Declaration, By-Laws or Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Unit Owner use or grant permission for the use of any Unsold Unit for any purpose, including but not limited to, use as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Legal Requirements.

l. **Alterations of Unsold Units**

Sponsor shall have the right, pursuant (and subject) to the terms of the Declaration and the By-Laws, as the same may be amended from time to time, without the approval of the Board or any other Unit Owner or any mortgagee, to make any alterations, additions, installations, improvements, replacements or repairs in or to any Unsold Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, the right to combine two or more Unsold Units, or to add more Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of any Unsold Unit). Purchasers shall have rights in respect of alterations, additions and improvements as are set forth in Article 6 of the By-Laws and described generally in the Section of the Plan entitled "Rights and Obligations of the Unit Owners and the Condominium Board of Managers" below.

m. **General**

Sponsor's representations, warranties and covenants under this Section of the Plan will survive the delivery of the deeds to the respective Units only for the time periods set forth above. The obligations of Sponsor to pay Common Charges and to perform its other duties as a Unit Owner with respect to any Unsold Units will survive for as long as Sponsor owns the same.

Sponsor agrees to indemnify the Condominium Board and the Residential Unit Owners against, hold them harmless from and defend on their behalf any suits, proceedings, or claims arising out of any default by Sponsor in performing its obligations under this Plan or any

breach of any representation expressly made by Sponsor in this Plan and resulting: (a) as to any Unit, from any occurrence taking place prior to the closing of title to such Unit; or (b) as to the Common Elements, from any occurrence taking place prior to the First Closing. However, Sponsor will not be liable for, or obligated to defend, any suits, proceedings or claims arising out of any occurrence taking place from and after the respective dates set forth above, except those arising out of any negligence or violation of Article 23A of the New York State General Business Law by Sponsor or as explicitly stated in this Plan.

The obligations of Sponsor hereunder shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either: (i) the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of such claim by any Unit Owner to the Condominium Board; or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid ninety (90) day period.

Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. Sponsor's ability to perform its obligations under the Plan will depend on its financial condition from time to time. No warranty is made that Sponsor will be financially able to perform all or any of such obligations.

n. **Successors to Sponsor**

Sponsor reserves the right to sell twenty percent (20%) or more of the total number of units in the Condominium to a single purchaser, and to designate the purchaser of such block(s) of Units as a "sponsor" under this Plan. The party so designated as a "sponsor" will have those additional rights and obligations (including the obligation to comply with all applicable Legal Requirements) applicable to a "sponsor" as more fully described in the Plan.

o. **Reservation of Air and Development Rights**

All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, or which may otherwise become available to the Property in the future (collectively, the "Air Rights" or "Development Rights") shall be allocated to and made a part of the Commercial Unit. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the board of managers or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, as a result of such reservation by the Commercial Unit Owner, such Commercial Unit Owner may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale and/or merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA").

The Air Rights allocated to the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of

reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In addition, the Sponsor has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Building. As of the date of acceptance of this Plan, there no unused Air Rights, which amount is subject to change.

p. **Miscellaneous**

Sponsor and/or its designee (and its respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or designated as a Residential Limited Common Element; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations or designated as a Residential Limited Common Element, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor or under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor, and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units, the Commercial Unit and Common Elements shall each be subject to such easement. The word "facility" or "facilities" as used in this Section shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

Sponsor and its designee(s) shall have the right, until the tenth anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units or otherwise).

There is no mortgage encumbering the Property as of the date hereof. Since the Property is constructed, it is not anticipated that there will be any construction financing obtained by Sponsor.

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P. CONTROL BY SPONSOR

The Condominium Board shall initially consist of three (3) members elected or designated as follows: (i) two (2) members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below), and (ii) one (1) member designated by the Commercial Unit Owner (who may be related to or affiliated with Sponsor for so long as Sponsor, or an Affiliate thereof, owns the Commercial Unit). The Commercial Unit Owner shall at all times have the right to designate one Board member as aforesaid. Sponsor anticipates designating the following persons as the initial Board members (all of whom are affiliated with Sponsor): Barry Langer (President), Alan Reagan (Vice President) and Morgan Mann (Secretary/Treasurer). Sponsor will amend the Plan in the event such three persons shall not constitute the initial Board members.

There is no provision in the By-Laws that assures a majority of the Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal. Unit Owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. In addition, because Sponsor has the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more Units than the fifteen percent (15%) of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

Until the expiration of the Initial Control Period, Sponsor shall have the right to designate the two (2) members of the Board representing the Residential Unit Owners. Therefore, until the expiration of the Initial Control Period, (i) if Sponsor owns the Commercial Unit, Sponsor shall have the right to designate all of the members of the Board; and (ii) if Sponsor no longer owns the Commercial Unit, at such time, Sponsor shall no longer have the right to designate the member of the Board to be appointed by the Commercial Unit Owner, but Sponsor shall have the right to designate the two (2) members of the Board otherwise to be elected by the Residential Unit Owners (including Sponsor), all of whom may be related to or affiliated with Sponsor, Sponsor's designee or other Unsold Unit Owner(s). The "Initial Control Period" is the period ending on the date there are no remaining Unsold Residential Units.

In accordance with the terms of the By-Laws, within thirty (30) days of the expiration of the Initial Control Period, the Condominium Board shall call a meeting of the Residential Unit Owners to elect two (2) new Condominium Board members that shall serve as the representatives of the Residential Units of the Condominium. The Commercial Unit Owner has the sole right to appoint the one (1) member of the Condominium Board serving as the representative of the Commercial Unit.

There is no restriction on the right of Sponsor and/or its designee(s) or other Unsold Unit Owner(s) to vote for members of the Condominium Board who are not related to or affiliated with Sponsor or such designee or such Unsold Unit Owner(s). The number of members of the Condominium Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remains at least one Unsold Unit.

Until Sponsor no longer designates a majority of the members of the Condominium Board, Sponsor will, through its control of the Condominium Board, be able to control the maintenance and operation of, and the services to be provided by, the Condominium, and also the determination of Common Charges to be paid by all Unit Owners. Prospective Purchasers should be advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

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

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Units constitute less than 25% of the Common Interest, whichever is sooner.

Sponsor reserves the right, in its sole and absolute discretion, to waive the collection of certain or all of the Common Charges from Purchasers under the Plan for a period of time prior to full occupancy of the Building, and if implemented, commence the collection of certain, but not all, Common Charges as time progress, all as Sponsor determines in its sole discretion (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"), including, but not limited to, insurance premiums that are the obligation of the Condominium Board. All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual cost of operating the Building and not on estimates set forth in Schedule B. Sponsor will not fund the contingency during the Waiver Period. Purchasers should note that Schedule B will not be in

effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include real estate taxes regardless of whether the Unit has been separately assessed. In all instances the Unit Owners will remain responsible for the payment of the real estate taxes, any utility costs metered or submetered, insurance that Unit Owners are obligated to procure under the By-Laws, as well as any other expenses customarily attributed to unit owners in accordance with the Common Interest of their Units or as otherwise set forth in the Plan. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior written notice to Unit Owners terminate the Waiver Period. In connection with the Waiver Period, (i) Sponsor will disclose the implementation of such Waiver Period, including the anticipated period of delay in a closing notice to Purchasers and in the amendment to the Plan disclosing the occurrence of the First Closing; (ii) Sponsor will provide thirty (30) days prior written notice to Unit Owners disclosing the expiration of the Waiver Period and shall subsequently file an amendment to the Plan disclosing the expiration of the Waiver Period; (iii) during any such Waiver Period, Sponsor will timely pay all Operating Expenses; (iv) upon the commencement of the collection of Common Charges, there will not be an assessment for any item set forth in the approved budget for the Condominium; and (v) Sponsor shall remain obligated to update the budget for the Condominium, as required by governing Department of Law regulations.

To the extent there are members of the Condominium Board appointed by Sponsor, such Board members cannot vote on any issue before the Condominium Board which involves the decision to sue Sponsor, pursuant to *Park River Owners Corp. v. Bangser Klein Rocca & Blum, 269 A.D.2d 313, 703 N.Y.D2d 465* (1st Dept. 2000); McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, pocket part, page 193; and BCL 713(a)(1). Also of interest is Board of Managers of Fairways at North Hills v. Fairways at North Hills, 193 A.D.2d 322, 603 N.Y.S.2d 867 (2d Dept. 1993), discussed in McKinney's Consolidated Laws of the State of New York, General Business Law, Volume 19, page 160.

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Q. THE CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Condominium Board. The Condominium Board shall initially consist of three (3) members elected or designated as follows: (i) two (2) members elected by the Residential Unit Owners (including Sponsor), subject to Sponsor's right to designate members (as described below), and (ii) one (1) member designated by the Commercial Unit Owner (who may be related to or affiliated with Sponsor for so long as Sponsor, or an Affiliate thereof, owns the Commercial Unit). The Commercial Unit Owner shall at all times have the right to designate one Board member as aforesaid.

The first annual meeting of Unit Owners ("First Annual Meeting") shall be held not later than thirty (30) days following the second anniversary of the First Closing. There is no provision in the By-laws that assures a majority of the Condominium Board will be Unit Owners, Unit occupants or members of a Unit Owner or Unit occupant's household who are unrelated to Sponsor and its principal. In addition, because Sponsor has the unconditional right to rent or lease the Units after consummation of the Plan, there is no commitment to sell more Units than the fifteen percent (15%) of Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the condominium. (See "Meetings and Votes of Unit Owners" in this Section below and "Control by Sponsor" in Part I).

Each member of the Board will serve for a term of two (2) years. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve. At each annual meeting of Unit Owners subsequent to the expiration of the Initial Control Period, the Residential Unit Owners shall elect Board members to represent the Residential Unit Owners on the Condominium Board to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at two (2) years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by Sponsor, or its designee, or the Commercial Unit Owner) may serve until his or her successor shall be elected and qualified.

Except for Board members elected or designated by Sponsor or its designee or by the Commercial Unit Owner, all members of the Condominium Board shall be: (i) individual Unit Owners or Permitted Mortgagees of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering, a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning, or holding a Permitted Mortgage encumbering, a Unit; (v) fiduciaries or their beneficiaries who are owners or Permitted Mortgagees of Units (or officers, directors, employees or stockholders of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a mortgagee of a Unit. Other than Board members elected or designated by

Sponsor or its designee or by the Commercial Unit Owner, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

Prospective Purchasers are advised that Unit Owners, Unit occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., for use as a home as opposed to as an investment.

All determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board. Notwithstanding the foregoing, at any meeting pertaining solely to matters which do not affect the Commercial Unit Owner or the Commercial Unit, a majority of the members other than the Commercial Unit Owner's designee shall constitute a quorum for purposes of such meeting and the votes of a majority of such members present, other than the member designated by the Commercial Unit Owner, shall constitute the decision of the Condominium Board. The Board member designated by the Commercial Unit Owner shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and vice versa.

In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Condominium Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Condominium Board to be paid. In addition, no member of the Condominium Board (or his or her proxy) may continue to participate as a member thereof after the Condominium Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

Members of the Condominium Board shall serve without compensation. The Condominium Board may obtain and maintain fidelity and crime insurance covering the Condominium Board and all Condominium Board members, officers, directors and employees of the Condominium and of the Managing Agent. The cost of the fidelity and crime insurance has been provided for in the estimate of the Common Charges contained in Schedule B in Part I of the Plan above.

2. **Powers and Duties of and Determinations by Condominium Board**

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present, unless otherwise expressly provided in the By-Laws.

3. **Meetings and Votes of Unit Owners**

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within approximately four weeks of the anniversary of the First Annual Meeting on a date

to be set by the Condominium Board. At each such meeting after the Initial Control Period, the Unit Owners shall elect members to replace those members of the Condominium Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 30% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present or is not required shall be binding on all Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to his or her Unit or Units.

4. **Officers**

The principal officers of the Condominium will be the President, Vice-President and Secretary/Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may also appoint additional officers as the Condominium Board in its judgment may deem advisable.

None of the officers of the Condominium need be Unit Owners or have any interest therein or be members of the Condominium Board; except that, from and after the first organizational meeting of the Condominium Board after the First Annual Meeting, the President of the Condominium must be a member of the Condominium Board.

Subject to the provisions of Sections 2.3 and 2.4 of the By-Laws, and except as provided in the By-Laws, any member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 of the By-Laws, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any member of the Board who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the terms of Sections 2.4 or 2.6 of the By-Laws, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in the previous sentence, whether with or without cause, either Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee).

5. **Liability of the Condominium Board and the Unit Owners**

To the extent permitted by applicable law, Board members shall have no liability to the Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability

or claim except those arising out of the bad faith, willful misconduct, illegal acts, fraud or gross negligence of such member.

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R. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE CONDOMINIUM BOARD OF MANAGERS

1. Sales and Leases of Units

Each Residential Unit Owner may sell his or her Residential Unit, or lease his or her Residential Unit for a minimum term of one (1) year, provided, in each case, such Residential Unit Owner first gives the Condominium Board notice of intention to sell or lease such Residential Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be. The Condominium Board shall then have the right to purchase or lease the Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically set forth in Article 8 of the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within twenty (20) days after receipt of the notice, or waives such election in writing, the Residential Unit Owner will have sixty (60) days thereafter to consummate the transaction set forth in the contract of sale or lease with the prospective Purchaser or lessee, as the case may be, as more particularly set forth in Section 8.1 of the By-Laws. In the event that such sale or lease is not consummated, or if such contract or lease is renegotiated or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Residential Unit Owner, the Residential Unit Owner will be required again to offer the same first to the Condominium Board. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of Residential Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. Any such lease shall be in the form and substance then approved by the Condominium Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting without the consent of the Condominium Board. The Condominium Board shall have the right to release or waive such option without the prior approval or a vote of the Unit Owners. Notwithstanding the foregoing, Sponsor may use any Unsold Residential Unit for any lawful purpose and may lease a Residential Unit for any term, which may be for a term than less than one (1) year and on a transient basis, but in all cases subject to compliance with all applicable law at the time in question, including without limitation, Local Law 18.

In connection with the foregoing, the Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, gender, sexual orientation, age, disability, marital status or other grounds prohibited by law. Notwithstanding the foregoing, Sponsor refusing to enter into an Agreement with a person that is listed as sanctioned by the United States Government shall not be deemed to be a discriminatory act.

If a Residential Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock, or if a Residential Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Residential Unit owned by such entity to the requirement that the Residential Unit first be offered to the Condominium Board for purchase or lease, as described above. Further, in the event that title to a Residential Unit is taken

by a corporation, partnership, limited liability company or other entity, the name of a principal of said entity shall be identified to Sponsor.

Notwithstanding the foregoing, without complying with the foregoing restrictions, a Residential Unit Owner may sell, lease or convey his or her Residential Unit, and the owner of any interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity, may sell, lease or convey such interest, to an affiliate or one (1) or more family members, as hereinafter defined, or convey a Unit or interest in a Residential Unit Owner, as the case may be, by gift, or devise it by will, or have it pass by intestacy. (An "affiliate" is defined for purposes hereof as a person or entity that owns fifty percent (50%) or more of the legal and beneficial interest of such Residential Unit Owner or owner of an interest in a Residential Unit Owner, as the case may be, or an entity with respect to which such Residential Unit Owner or owner of an interest in a Residential Unit Owner owns fifty percent (50%) or more of the legal and beneficial interest, and "family member" is defined for purposes hereof as a spouse, domestic partner, adult child, parent or adult sibling, or a trust for the benefit of any one (1) or more of the foregoing and/or one (1) or more minor children of any of the foregoing.) Article 8 of the By-Laws more specifically describes the right of first refusal and those situations in which a Residential Unit Owner may sell or convey his or her Residential Unit to a related or controlled individual or entity.

The restrictions upon the sale or lease of Residential Units shall not apply to Sponsor or its designee with respect to any Unsold Residential Units, to the Commercial Unit Owner, or to the Condominium Board or to any Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure; such Residential Units may be sold to anyone without first being offered for sale to the Condominium Board.

Subject to the Commercial Unit Owner's compliance with Article 8.3 of the By-Laws (entitled "No Severance of Ownership"), there shall be no restrictions on the rights of the Commercial Unit Owner to sell or lease the Commercial Unit, provided that any deed or lease to such Unit shall expressly state that the acceptance thereof by the grantee or tenant, as applicable, shall constitute an assumption of all of the provisions of the Declaration and the By-Laws, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

Each conveyance of a Unit by the Unit Owner thereof shall include as part of the property to be conveyed, such Unit Owner's: (i) undivided interest in the Common Elements; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Residential Unit); and (iii) undivided interest in any other assets of the Condominium Board or assets of the Condominium. No part of a Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest appertains or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. The Condominium Board may establish reasonable fees for the processing of such offers for sale or

lease, which shall be payable by the selling or leasing Residential Unit Owner to the Residential Managing Agent. In addition, the Condominium Board shall have the right to impose a fee in connection with any waiver of its right of first refusal pursuant to Section 8.1 of the By-Laws, either with respect to a sale or a lease of a Residential Unit; provided, however, that no fee shall be assessed in connection with: (i) a renewal of a lease of a Residential Unit, as to which lease the Condominium Board previously waived its right of first refusal in accordance with the By-Laws; and (ii) sales or leases of Unsold Residential Units by Sponsor (or its affiliates) or its designees. The sale or lease of the Commercial Unit shall not be subject to a right of first refusal held by or other approval of the Condominium Board and the Commercial Unit Owner shall not be required to pay any fees to the Managing Agent with respect to sales or leases.

2. **Use of Residential Units**

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation. Each such Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated by written notice to the Condominium Board as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit including, without limitation, as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, or any enterprise having similar attributes; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Notwithstanding the foregoing, Sponsor may use any Unsold Unit for any lawful purpose and may lease a Residential Unit for any term, which may be for a term than less than one (1) year and on a transient basis, but in all cases subject to compliance with all applicable law at the time in question, including without limitation, Local Law 18.

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

3. **General Provisions with Respect to Use**

No portion of a Residential Unit, other than the entire Residential Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof,

relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such portion of the Property.

The Rules and Regulations concerning the use of the Residential Units may be amended from time to time by the Condominium Board, provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective. However, no such amendment affecting Sponsor or the Unsold Units may be made unless agreed to, in writing, by Sponsor, or by all the owners of such Unsold Units who are affected by such amendment, as the case may be. Further provisions with respect to the use of the Residential Units are set forth in the Declaration, the By-Laws and the Rules and Regulations.

Each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the legally required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

4. **Mortgage of Units by Unit Owners**

Each Unit Owner may mortgage his or her Unit, in accordance with the provisions of Article 7 of the By-Laws, which requires that the Condominium Board be notified in writing of the making of such mortgage and receive a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages. The Commercial Unit Owner shall have the right to mortgage or otherwise encumber its Commercial Unit without any restriction or limitation.

5. **Common Charges: Determination and Assessment**

At least once per year, the Condominium Board will prepare or cause to be prepared a budget setting forth its projections of the Common Expenses for the next fiscal year and will allocate and assess the Common Expenses among the Residential Units and the Commercial Unit. The Common Charges payable by each Residential Unit Owner will be in proportion to the Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Unit Owner will be assessed Common Charges to meet the share of only those Common Expenses allocated to the Commercial Unit. As discussed in the footnotes to Schedule B and in Article 6 of the By-Laws, the Commercial Unit Owner's share of Common Expenses will be limited to a share of only certain components of the Common Expenses.

The respective Common Interests of the Units, as estimated by Sponsor, have been allocated to each Unit based upon floor space subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the New York State Real Property Law.

The Condominium Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

6. **Collection and Lien for Non-Payment of Common Charges**

Unit Owners may not exempt themselves from liability for Common Charges by waiving use of any of the Common Elements or by abandoning their Units. No Unit Owner, however, will be liable for the payment for any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in Section 6.2 of the By-Laws, a Unit Owner, by conveying his or her Unit (without consideration) to the Condominium Board and provided that such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided no amounts are owing under any such lien) and that no violation of the Declaration, the By-Laws or the Rules and Regulations then exists with respect to such Unit, may be exempt from Common Charges thereafter accruing.

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit; except that, to the extent then permitted by law, a Permitted Mortgagee acquiring a Unit at a foreclosure sale will not be liable for a lien for the payment of Common Charges assessed against such Unit for the period following the recording of the Permitted Mortgagee and prior to such Unit's acquisition by the Permitted Mortgagee. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Condominium Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Pursuant to Section 339-z of the Real Property Law and under the provisions of the By-Laws, the 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. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Pursuant to Section 339-aa of the Real Property Law, any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Residential Unit Owners) in the same 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 $.04 for each dollar of Common Charges which remains unpaid for more than 10 days after the date when due, and interest at the

rate of one and one-half percent (1.5%) per month on such unpaid amounts (plus any "late charges" theretofore collected), plus all expenses of collection.

Sponsor will cause the Condominium Board to file a lien as provided for in section 339-aa of the Real Property Law on units in which Sponsor is more than 30 days in arrears of Common Charges while it is in control of the Condominium Board.

7. **Borrowing by Condominium Board**

The Condominium Board may, at any time, borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the General Common Elements or Residential Common Elements or Residential Limited Common Elements, respectively; provided, however, that: (A) except as otherwise provided in the By-Laws, the consent of at least sixty-six and two-thirds (66-2/3%) in common interest of all Unit Owners (which shall include the consent of the Commercial Unit Owner) or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements, Residential Common Elements and Residential Limited Common Elements, respectively, if such borrowings are in excess of $500,000 (subject to increase by the CPI Increase Factor) in total any one fiscal year (regardless of the balance of loans outstanding from previous years) and the consent of Sponsor, in the case that Sponsor owns a Unit in the Condominium at the time in question; (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Common Elements and Residential Limited Common Elements exclusively, and the loan documentation in such case shall so provide. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

8. **Repairs to and Maintenance of Units and Common Elements**

Except as may otherwise be provided in the By-Laws, and as more particularly set forth therein, generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, or ordinary or extraordinary (a) in or to any Unit and the Residential Limited Common Elements appurtenant thereto, if any (other than, in general, to the General Common Elements or Residential Common Elements included therein) will be made by the Owner of such Unit at his or her expense, (b) in or to the General Common Elements will be made by the Condominium Board and the expense thereof will be charged to the Unit Owners as a Common Expense or (c) in or to the Residential Common Elements will be made by the Condominium Board and the expense thereof will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, appliances and lighting fixtures, and heating and air conditioning units in their respective Units.

In the event that the Board is required to make any modifications to a Unit (or portion thereof) in connection with the performance of its maintenance and Repair obligations under the Condominium Documents (by way of example only, and without intending to limit the generality of the foregoing, altering/opening up a wall to access a pipe, conduit or other piece of equipment), the Board's sole obligation shall be to restore the Unit to good order and condition, however the Board shall not be required to restore improvements that the Unit Owner had made to such part of the Unit (by way of example only, the Board will not be obligate to repair or replace wallpaper, other installations or decor that the Board may have had to remove in connection with its access).

Each Unit Owner shall promptly comply with all Legal Requirements applicable to his or her Unit. No Unit Owner shall use or permit the use of hazardous materials on, about, under, or in his or her Unit or the Property. Each Unit Owner agrees to indemnify and hold harmless the Condominium Board and each other Unit Owner from and against any and all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, but not limited to, costs of investigation, remedial response, and reasonable attorneys' fees and cost of suit, arising out of or resulting from any hazardous material used or permitted to be used by such Unit Owner on, about, under or in his or her Unit or the Property.

The washing and cleaning of interior glass surfaces of windows in the Residential Units shall be the responsibility of the respective Unit Owners and shall be cleaned a minimum of one time per calendar year. Residential Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise.

The Condominium Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their respective Units and charge the defaulting Unit Owner therefor.

If any repairs or replacements to the General Common Elements, whether structural or non-structural, ordinary or extraordinary, or any replacement of glass windows in any Unit because of breakage or otherwise, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Condominium Board shall be paid by such Unit Owner. Neither the interior nor the exterior glass surfaces of any windows located in any Residential Unit may be altered, colored or painted.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Condominium Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Condominium Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. (See subsection entitled "Rights of Access" below.)

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all Legal Requirements.

9. **Alterations and Improvements of Units**

No Residential Unit Owner may make any alteration, addition, installation, improvement, replacement or repair in or to such Unit Owner's Unit or Residential Limited Common Element appurtenant thereto that affects the structure of the Building and/or the Building's systems without the prior written approval of the Condominium Board but, as more fully set forth in the Declaration and By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the Declaration and By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

The Commercial Unit Owner may make alterations, additions or improvements in or to the Commercial Unit (including any decorations that are compatible with the first class character and location of the Building, and may install certain equipment on the roof but only to the extent otherwise provided or permitted in the Declaration or By-Laws), provided, however, that such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to such Commercial Unit which would affect the structural, mechanical, electrical or plumbing elements of the building or the exterior appearance of the building. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any alterations, additions or improvements subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of the By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. A Commercial Unit Owner will be granted reasonable access to all parts of the Building (other than the interior of Residential Units, and excluding Vestibules) to which such Commercial Unit Owner reasonably requires access in order to perform any work or alterations desired by the Commercial Unit Owner thereof and permitted or required to be made by such Commercial Unit Owner under the Declaration and By-Laws.

The Condominium Board, at its option, may require a Residential Unit Owner to execute an 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. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit is required by the By-Laws to (i) obtain such insurance as the Condominium Board or the Managing Agent may require, (ii) indemnify the Condominium Board, all other Unit Owners and the Managing Agent against any liability arising from the work, (iii) reimburse the Condominium Board for its architectural, engineering and legal fees incurred in connection with reviewing and monitoring such work, (iv) in the case of Residential Units only, employ such architects, engineers, contractors, workers, suppliers and other laborers who are reasonably acceptable to the Condominium Board and Managing Agent; and (v) perform such work in a manner which will not interfere with, or cause any labor disturbances or stoppages (which may result from, among other things, the use of non-union labor) in, the work of Sponsor, the Condominium Board, the

Commercial Unit Owner, or other contractors or subcontractors employed by such parties or otherwise in the Building. In addition, no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Condominium Board (which consent may be withheld or conditioned in the sole discretion of such Board) or Sponsor if such work or change would result in a delay in obtaining a temporary or permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the same if theretofore issued.

The foregoing restrictions affecting Residential Units shall not apply to Sponsor or its designee in respect of the Unsold Units or to the Commercial Unit. There are no restrictions on the ability of Sponsor or its designee to alter or improve any Unsold Unit (including, without limitation, dividing, subdividing and combining one or more Unsold Units or portions of same). Additionally, to the extent permitted by law.

Furthermore, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Condominium Board, to make any alterations, additions, improvements or repairs in or to such Unit, provided that such purchaser obtains all necessary approvals required by law, obtains insurance, as required and that Sponsor has consented to the same in writing at or prior to the closing of title to such Unit, which consent Sponsor may withhold or condition in its sole and absolute discretion.

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all Legal Requirements.

The Condominium Board and any Unit Owner desiring to perform alterations in the future may be required to undertake certain precautionary measures prior to the commencement of any renovations that could disrupt a suspect ACM material, including: (a) conducting a full survey of all areas of the Unit or the Property, as the case may be, to be disturbed during renovations in conformance with the Asbestos Guidelines, regardless of whether such survey is otherwise required by law; (b) if applicable, the safe abatement or removal of any ACM identified in such survey, in each instance to be carried out in compliance with all applicable legal requirements and best practices relating thereto; and (c) abiding by any rules and regulations of the Condominium Board with regard to carrying out renovations where ACM is present.

As more particularly set forth in the Condominium Documents, Unit Owners performing alterations in their Units may be required to enter into an alteration agreement with the Condominium Board, which alteration agreement may contain certain provisions (the "ACM Provisions") requiring compliance by the Unit Owner with the foregoing requirements of Special Risk 45, and may provide that: (i) prior to performance of any ACM abatement, the Unit Owner will notify the Condominium Board regarding the presence of ACM and submit to the Condominium Board for approval a proposed plan of abatement, as well as the name(s) and qualifications (including licenses, insurance policies and summary of qualifications) of any ACM consultant(s) and contractor(s) the Unit Owner intends to use for such ACM abatement, along with the name and qualifications (including licenses and evidence of insurance policies) of the contractors, handlers and ACM supervisors who are to perform ACM abatement; (ii) upon receipt of the Condominium Board's approval of the consultant(s), contractor(s), and plans for abatement, the Unit Owner will retain such consultant(s) and contractor(s) to abate the ACM in the Unit, in conformance with all federal, state and local legal requirements (collectively, the "Abatement");

(iii) in connection with such Abatement, the Unit Owner will furnish the Condominium Board with copies of all reports, tests and filings that are required by applicable legal requirements and with a copy of the final report which is to be provided by the Unit Owner's ACM consultant; and (iv) in the event the approved Abatement plan involves any removal of ACM, the Unit Owner will cause the ACM hauler to furnish the Board with lists of all dump locations to be used, and a certification that the dump sites are EPA-approved, and thereafter furnish to the Board all dump tickets and disposal manifests. Such alteration agreement shall require that: (a) the Unit Owner's consultant(s) and contractor(s) comply with all federal, state and local legal requirements relating to the Abatement and (b) the Unit Owner shall, to the maximum extent permitted by applicable legal requirements, indemnify the Sponsor, Condominium Board, the Unit Owners, and each of their agents, employees, and their respective affiliates, heirs, successors and assigns and any other party as determined by the Condominium Board, for any loss, cost, expense (including without limitation attorneys' fees and disbursements), damages, liabilities or fines arising from any failure by the Unit Owner or any consultant or contractor retained by the Unit Owner to fully conform to all of the requirements pertaining to the ACM Provisions or in the defense of any suit, action, claim or violation in connection with the Abatement; (c) in the event the approved Abatement plan involves removal of ACM, the Unit Owner shall cause its contractors to obtain in addition to any other insurance required under the alteration agreement, a hazardous materials transportation liability insurance policy with limits not less than $2,000,000 (or such other limit as determined by the Condominium Board, in its sole and absolute discretion, at the time in question) for bodily injury and property damage or, shall otherwise arrange for the Condominium Board, the Board, Sponsor and the Managing Agent, and any other parties determined by the Condominium Board, to be named as additional insureds on the policy of the contractor's waste transporter, which policy, in either case, shall specifically cover all claims and groups of people who might bring claims relating to ACM.

10. **Alterations and Improvements of Common Elements**

Generally, and except as expressly provided otherwise in the Condominium By-Laws, all alterations, additions or improvements in or to (x) the General Common Elements and Residential Common Elements will be made by the Condominium Board. Except as otherwise provided in the By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners and (y) the Residential Limited Common Elements shall be made by the Residential Unit Owner having the exclusive use thereof. Whenever, in the judgment of the Condominium Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $500,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgagee Representatives"), or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or

safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Condominium Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $500,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Condominium Board without the approval of the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof, except in the case of an emergency or in order to comply with applicable law, in which case the consent of the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof need not be required.

In addition, as set forth in the By-Laws and to the extent permitted by law, the Owner or Owners of any one or more Residential Units, if such Unit or Units are the only Unit or Units serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Unit or Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Unit or to any other portion of the Common Elements shall, with the consent of the Condominium Board (which consent may be withheld in the Board's sole discretion and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be required by reason thereof. In such an event, however, such Unit Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use. Use of the Common Elements as described above shall not materially and adversely affect the Condominium or any other Unit Owner.

In addition, Sponsor (or its designee or other owner of Unsold Units) and the Commercial Unit Owner shall have such rights as are described in the Declaration, to erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Unit or Commercial Unit or the operation of any business of Sponsor, a tenant, occupant managing agent or operator of the Commercial Unit including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

11. **Rights of Access**

As more fully set forth in the Declaration and By-Laws, the Condominium Board and any managing agent, manager and other persons authorized by the Condominium Board will have a right of access to any Unit and the Common Elements for the purposes, among others, of: (a) making inspections of, or removing violations of governmental laws or regulations against, any part of the Property; (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the owner of such Unit; (c) performing maintenance, installations, alterations, repairs or

replacements to the mechanical plumbing or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; or (d) correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

In the event that the Condominium Board or any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by the Condominium Board or Unit Owner, or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, Article 6 of the By-Laws provides for certain specified rights to perform such maintenance or repairs or cure such breach.

12. Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration, By-Laws and, with respect to the Residential Unit Owners only, the Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure so to comply will be grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the initial form of Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

13. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests of all Units do not duly and promptly resolve to proceed with repair or restoration), the Condominium Board will arrange for the prompt repair and restoration of the Common Elements and each Unit Owner will be responsible for the prompt repair and restoration of their respective Unit.

If the insurance proceeds are insufficient to cover the cost of repairs or restoration to the Common Elements, Unit Owners may be assessed for such deficiency. If there is a surplus of insurance proceeds, the surplus shall be paid to Unit Owners in accordance with the following paragraph, except that no payment shall be made to a Unit Owner until there has first been paid out of his or her share, such amounts as may be necessary to reduce unpaid liens on his or her Unit, other than Permitted Mortgages, in the order of priority of such liens.

If only a Unit is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Unit Owner thereof will bear the entire amount of the deficit, or shall receive all of the surplus. If only the Residential Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Residential Common Elements then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection shall be lessened by such amounts as may be required to discharge unpaid liens

(other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Condominium Board exceed $2,500,000, the 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 Sections 6.4.3 and 12.7 of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Notwithstanding any of the foregoing, if three-fourths or more of the Building is destroyed or substantially damaged and if owners of Units representing at least seventy-five percent (75%) in number and aggregate Common Interests of all Units do not duly resolve within sixty (60) days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Condominium Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners within each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

14. **Insurance**

Under Section 6.4 of the By-Laws, The Condominium Board shall be required to obtain and maintain to the extent obtainable, at commercially reasonable rates, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings, custom millwork, moldings and the like or other personal property contained in such Units), together with all service machinery contained therein, including without limitation, boiler and machinery insurance, and insurance covering the elevators and equipment servicing same, covering the interests of the Condominium, each of the Boards and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) if applicable, worker's compensation and New York State disability benefits insurance as required by applicable Law; (d) crime insurance covering all Boards and all officers, directors, Managing Agent and employees of the Condominium; (e) directors and officers liability insurance; and (f) such other insurance as the Condominium Board may determine. The premiums for all

insurance referred to above shall be a Common Expense. The Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in the Condominium By-laws.

The Board shall also be required to obtain and maintain, to the extent obtainable, at commercially reasonable rates, commercial general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Common Elements (including without limitation, liability relating resulting from use of elevators), in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) as additional insured, each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit. The Board shall review such limits once each year. The Condominium Board shall also be required to obtain and maintain crime insurance covering the Condominium Board, the Managing Agent, each Condominium Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in accordance with this paragraph shall also cover cross-liability claims of one insured against another. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

Any of the coverages required to be maintained by the Condominium Board may be satisfied by any so-called builder's risk policy or other policy obtained by Sponsor, provided the limits and terms of coverage set forth in such policy are adequate to meet the terms and conditions set forth in the By-Laws. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Condominium Board for the Condominium in respect of any period following the First Closing, the Condominium Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

The amount of property insurance written on a "special cause of loss" basis to be maintained with respect to the Condominium until the first Board meeting following the First Annual Meeting of Unit Owners shall be 100% of the full replacement cost of the Property (or such lesser amount as may be provided for in the First Year's Budget).

To the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party (if applicable) and contain waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including the Board, all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. The Unit Owners and the Board shall waive their subrogation rights. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained prior to the expiration of the then current policies.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The premiums for all insurance maintained by the Condominium Board shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

The Board is not required to obtain or maintain any property insurance with respect to any Unit, nor shall the Board be required to obtain and maintain any liability policies covering a Unit. Consequently, all Unit Owners are required, at the Unit Owner's own cost and expense, to obtain and maintain in full force and effect (i) a liability policy insuring against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, on or about such Unit Owner's Unit affording protection of at least $1,000,000 per occurrence, (ii) umbrella liability coverage of at least $3,000,000, and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, to, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments) as well as for any fixtures, furnishings and personal property that are placed or installed in a Residential Unit by the Residential Unit Owner having exclusive use thereof. The limits of liability set forth in (i) and (ii) above may be increased by the Condominium Board from time to time provided that for so long as Sponsor owns at least one (1) Unsold Unit, any change or elimination of the requirements set forth above may only be made upon Sponsor's prior written consent. Further requirements with respect to insurance required to be maintained by Unit Owners are more particularly set forth in the By-Laws. Evidence of such insurance must be provided by the Purchaser at the Closing of title of each Residential Unit and thereafter, whenever requested by the Condominium Board or Managing Agent. Purchasers are also advised that the insurance policies to be maintained by or on behalf of the Condominium Board will be on a "replacement cost" basis and will not cover losses to the extent that "market value" of a Unit may exceed its insured replacement cost.

All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any additional insurance carried by any other Unit Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Board. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner as described in the By-Laws.

15. **Liability of Condominium Board and Unit Owners**

Every contract made by the Condominium Board, any officer of the Condominium, or the Managing Agent shall state that (a) it is being executed by such party only as agent for all Unit Owners, and such Board members, officer or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) to the extent permitted by applicable Legal Requirements, or as otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest.

To the extent permitted by applicable Legal Requirements, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each Board member against any liability or claim except those arising out of the bad faith or willful misconduct of such member.

16. **Amendments to Condominium Documents**

Subject to the provisions contained in the By-Laws or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, or the Commercial Unit or the Commercial Unit Owner: (a) any provision of the Declaration, the By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration or the By-Laws affecting only the Commercial Unit or the Commercial Unit Owner may be amended, modified, added to or deleted by the affirmative vote of the Commercial Unit Owner (or of 66-2/3% in number and in Common Interest of the Commercial Unit Owners if there ever shall be more than one Commercial Unit Owner as a result of a subdivision of the Commercial Unit); provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; (c) any provision of the Declaration, the By-Laws affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

Notwithstanding any provision contained herein or the Declaration or By-Laws to the contrary, no amendment, modification, addition to or deletion of the Declaration, the By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one or more Units, or any Unsold Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

Notwithstanding any provision contained herein or in the Declaration or By-Laws to the contrary, neither the Declaration nor the By-Laws may be amended, modified or terminated in any

manner which adversely affects a Commercial Unit or a Commercial Unit Owner without the consent of the affected Commercial Unit Owner.

Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, the By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice (together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The foregoing shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting Sponsor's or such holder's consent to a proposed amendment or modification.

17. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition The Condominium shall continue and the Property shall not be subject to an action for partition until: (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least eighty percent (80%) both in number and aggregate of the Common Interests of all Unit Owners, including the Commercial Unit Owner. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of at least fifty-one percent (51%) of the Residential and Commercial Mortgagee Representatives if any. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty percent (80%) in number and in aggregate of the common interests of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote its common interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

To the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e. Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be selected by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

18. **Units Acquired by the Condominium Board**

All Units acquired or leased by the Condominium Board (including the Commercial Unit) or its designee shall be held by the Condominium Board, or its designee, on behalf of all Unit Owners in proportion to their respective interests in the Common Elements, unless such Unit is a Residential Unit, in which case such Unit will be acquired or leased on behalf of the Residential Unit Owners only, in proportion to each Residential Unit's respective percentage of Common Interest compared to the total of all Residential Units, and the Commercial Unit Owner shall not bear any costs, expenses or liabilities in connection therewith. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board or its designee, on behalf of the applicable Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board by or on behalf of the applicable Unit Owners. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each applicable Unit in proportion to its respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit and thereafter refinance the same; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased or refinanced, as the case may be, together with its appurtenant interest in the Common Elements.

19. **Procedure to Review Real Estate Tax Assessments**

Pursuant to Section 6.13.4 of the By-Laws, the Condominium Board, on behalf of and as agent for all Residential Unit Owners, and on behalf of the Commercial Unit Owner to the extent requested and authorized to do so in writing by the Commercial Unit Owner, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units owned by such Unit Owners. All such Unit Owners will share, and indemnify the Condominium Board as to, the costs in connection with such proceedings and the benefits derived therefrom.

In the event the Commercial Unit Owner individually seeks to have the assessed valuation of its Commercial 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 Commercial Unit Owner in pursuing such reduction, provided that such Commercial Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings.

20. **Mechanics' Liens**

Under the current provisions of the New York Condominium Act, no lien of any nature may arise or be created against the Common Elements, except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such

work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the 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 the Managing Agent acting on its behalf.

21. **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 Articles 14 and 15 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of any of the Residential Units for their permitted purposes.

Among other things, Sponsor shall also have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect, maintain and replace satellite communication equipment and similar equipment, as permitted by law, on the roofs and facade of the Building and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area and Sponsor (or its designee) shall have the right to retain all proceeds. In addition, Sponsor, the owner of any Unsold Units and, subject to the terms of the Condominium Declaration and By-Las, the Commercial Unit Owner, shall have an easement to erect, maintain, repair and replace any Signs) permitted by law on the Property (including, without limitation, on its roof and exterior walls) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

Sponsor and the Condominium Board shall have an easement in and to the Residential Units, and to the Mechanical Rooms located therein, in order to perform maintenance to the Building and/or otherwise fulfill its obligations under the Condominium Documents, and, in the case of Sponsor, the Plan.

22. **Signage**

There may be signs, notices, advertisements, canopies, flags or awnings or other protrusions, devices, illuminations or decorative elements (collectively "Signage" or "Signs") on various exterior portions of the Building, on or at windows and in interior public spaces of the Building, which may be affixed by Sponsor (and its designee), the Condominium Board and/or the Commercial Unit Owner, all as and to the extent provided in the Declaration and/or By-Laws. Sponsor makes no representation and shall have no liability whatsoever with respect thereto. Except as may otherwise be expressly provided in the Declaration and/or By-Laws, no Residential Unit Owner may install, inscribe or expose any Signage on or at any window or any other part of the Common Elements.

23. **Smoking Policy**

Smoking and using electronic cigarettes is prohibited in any Common Elements within the interior of the Building as required by all applicable laws and is prohibited in the Residential Units. Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco. Notwithstanding the foregoing, Residential Unit Owners and their respective tenants or other occupants and all of their respective guests shall not permit smoke to escape from a Residential Unit or enter any other Residential Unit or interior Common Elements. Unit Owners and their respective tenants or other occupants and all of their respective guests shall not smoke in the Units if they are unable to prevent the smoke from entering the interior Common Elements or another Unit. The Board shall have the right to seek and obtain a court order enjoining the occupant of a Residential Unit from smoking therein or thereon if the smoke escapes the Residential Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Residential Unit if the smoke escapes from the Residential Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board, and (ii) reimbursement of any fees or expenses incurred by the Condominium or the Board to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

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S. REAL ESTATE TAXES

The estimated real estate taxes payable in respect of each Unit(s) were calculated on the assumption that the real estate taxes for the Building payable for the First Year of Condominium Operation, as estimated by Sponsor's real estate tax consultant, will be allocated to each Unit on the basis of their proportionate Common Interest. Upon determination of individual tax lots and individual assessments for such Unit, the New York City tax authorities may allocate taxes among the Units using a different methodology, and, if so, Units having the same or similar Common Interests may pay different real estate taxes and/or taxes may differ from those set forth on Schedule A. In addition, Schedule A sets forth projected real estate taxes for the First Year of Condominium Operation. The projection of the real estate taxes that will be payable for each of the Residential Units during the projected First Year of Condominium Operation is based upon a letter dated March 13, 2024 prepared by Marcus & Pollack LLP, Sponsor's real estate tax attorneys a copy of which is included in in Part II of the Plan (the "Real Estate Tax Opinion"). The Real Estate Tax Opinion takes into account the following assumptions and projections in respect of the First Year of Condominium Operation: (a) the First Year of Condominium Operation will be comprised of the six (6) months of the 2024/25 tax year and six (6) months of the 2025/26 tax year; (b) a projected taxable total assessed value for the Units of $2,539,792, for 2025/26 and a taxable total assessed value for the Units of $2,617,462 for 2024/25; and (c) an assumed tax rate of 12.502%, which results in estimated aggregate real estate taxes for the Residential Units for the First Year of Condominium Operation of $317,525.

SPONSOR MAKES NO REPRESENTATION THAT THE ESTIMATED ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE PROJECTED TAX RATE ARE ACCURATE OR WILL NOT VARY FROM SUCH ESTIMATIONS.

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

No guaranty or assurance is given that: (i) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the 2024/2025 and 2025/2026 tax years or thereafter, the estimates of the portions of such assessed valuations that will be allocable to the Residential Units and the Commercial Unit, the projections of the average real estate tax rate that will be in effect during the 2024/2025 and 2025/2026 tax years and thereafter, which will determine the real estate tax rate for the projected First Year of Condominium Operation, and thereafter, will approximate the actual amount; (ii) the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with proportionate Common Interest of the Units, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or (iii) any of the projections or estimates made above and in Schedule A are accurate. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Condominium Board a share of the Property's real estate taxes for the period in question calculated by allocating the total real estate taxes for the Condominium among the Units on the basis of the percentage Common Interest set forth in Schedule A. The Condominium Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the Condominium Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See subsection entitled "Collection and Lien for Non-Payment of Common Charges" in Part I, Section R, for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to, any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

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

Real estate taxes will be adjusted between Sponsor and each Purchaser at the closing of title to each Unit based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Condominium Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed to each Unit as of the closing, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided above.

T. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the Plan was prepared by Sponsor based, in part, upon the opinion of Sponsor's Counsel, a copy of which opinion is included herein in Part I, Section U of the Plan. Prospective Purchasers should refer to such opinion letter itself for a more detailed discussion of the tax consequences summarized below.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Residential Unit by an individual resident of New York City for use as a qualified residence, as further described herein. The opinion letter does not address, among other things, the tax consequences that might result from the ownership or occupancy of a Residential Unit by a taxpayer who is not an individual and a resident of New York City for tax purposes, including corporations and other entities, and foreign individuals or entities. It also does not address the tax consequences that might result from the ownership or occupancy of a Residential Unit that is held by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income. Further, the opinion does not address the tax consequences that might result from the ownership or occupancy by any person or entity of the Commercial Unit.

KRAMER LEVIN NAFTALIS & FRANKEL LLP IS COUNSEL TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A RESIDENTIAL UNIT.

1. Deductibility of Real Estate Taxes and Mortgage Interest

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

Generally, it is the opinion of Sponsor's Counsel that each Residential Unit Owner who itemizes deductions generally will, under the income tax laws and regulations in effect as of the date of this Plan, subject to certain limitations and qualifications, be entitled to deduct from his or her income for Federal, New York State and New York City income tax purposes:

(a) the state and local real property taxes assessed against his or her Residential Unit and paid by such Residential Unit Owner; subject to the limitation that for taxable years beginning after 2017 and before 2026, the deduction for such taxes and all other state and local taxes as specified in Section 164 of the Code is limited to $10,000 per year ($5,000 for a married taxpayer filing a separate return) in the aggregate; and

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

Qualified residence interest includes interest paid by the Residential Unit Owner on: debt incurred in acquiring, constructing, or substantially improving any "qualified residence," as defined below, and secured by such residence.

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

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances). No deduction for state and local real property taxes is permitted for purposes of the Federal alternative minimum tax and interest deductions may be limited for such purposes. Under New York State and New York City law, itemized deductions, such as real property tax and mortgage interest deductions, are subject to reduction by as much as one hundred percent (100%) in the case of individuals having income exceeding certain prescribed thresholds.

2. **Taxation of the Condominium**

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Code section 528(c) and, therefore, could elect to be exempt from Federal income tax on its exempt function income. In order for a condominium board to qualify to make such an election, Code section 528 requires, among other things, that substantially all of the units in the condominium be used by individuals for residences. The Treasury Regulations promulgated under Code section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. It is currently anticipated that less than eighty-five percent (85%) of the total square footage of all the Units in the Condominium will be used by individuals for residential purposes, therefore, the Condominium Board will not be eligible to elect to be treated as a homeowners association.

Absent the application of Code section 528, the status of a condominium board for Federal, New York State, and New York City income tax purposes is not clear, as will be the case with

respect to the Condominium Board. If the Condominium Board does not qualify under section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Residential Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium Board could be viewed as an agent or conduit for Residential Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered separate taxpayer with respect to income and deductions, and return filing requirements and would be subject to Federal corporate income tax. If the Condominium Board is treated as a partnership, the Residential Unit Owners would be subject to Federal, New York State, and New York City income tax on the taxable income of the Condominium Board. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Residential Unit Owners may be limited to their membership income. Certain amounts expended for the benefit of Residential Unit Owners, and possibly rebates, if any, to Residential Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

No representations or warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the deductions mentioned in this Section T or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Sponsor's counsel bases its opinion, will not change. In addition, no warranties are given by Sponsor, Sponsor's counsel, the Selling Agent, the Managing Agent or any other Person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Residential Units offered under the Plan, and no one has been authorized to give any such representations or warranties.

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U. OPINIONS OF COUNSEL

1. Income Tax Opinion of Sponsor's Counsel

[On Following Page]

Kramer Levin

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New York, NY 10036
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April 16, 2024

304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, NY 10019

Re: Condominium Offering Plan for
The 57 Lispenard Street Condominium (the "Condominium")

To Whom it May Concern:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State, and New York City income tax purposes, of mortgage interest and state and local real property taxes paid by individual residents of New York City who purchase Residential Units pursuant to the above-referenced Offering Plan (the "Plan"), and (ii) the Federal, New York State and New York City income tax treatment to the Condominium Board of the assessments payable by Residential Unit Owners to meet common expenses of the Residential Section and the Condominium ("Common Charges").

In connection with rendering this opinion, we have reviewed the Plan (including the exhibits thereto), relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other material as we deemed relevant. The opinions expressed herein are based upon the assumptions that (1) the Plan is accepted for filing by the New York State Department of Law and is consummated in accordance with its terms, (2) condominium ownership of the Residential Units located in the Condominium is established under applicable law, and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building, and appurtenances thereto, situated at 57 Lispenard Street, New York, New York. The Condominium will be comprised of four (4) residential units (the "Residential Units"), one (1) commercial unit (the "Commercial Unit"), and Common Elements. This opinion addresses certain Federal, New York State, and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for income tax purposes. It does not address, among other things, ownership of Residential Units by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities; the ownership by any individual or entity of the Commercial Unit; the tax consequences which may result with respect to any Residential Units held in connection with a trade or business, for investment purposes or for the production of income; or the estate tax consequences of ownership of any Units.

Deductibility of Mortgage Interest

Each Residential Unit Owner may mortgage his or her Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct interest paid on his or her mortgage indebtedness. Rev. Rul. 64-31, 1964-1 C.B. 300.

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

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

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

Deductibility of State and Local Real Property Taxes

Each Residential Unit Owner will own his or her Residential Unit and an undivided interest in certain Common Elements in fee simple and, under New York State Law, each Residential Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for New York real property tax purposes. Each Residential Unit Owner will be liable to the local tax authority for the property tax assessment with respect to his or her interest in the Residential Unit. Under these circumstances, the Internal Revenue Service has also ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her Federal income tax returns may deduct the state and local real property taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 C.B. 300. For taxable years beginning after 2017 and before 2026 itemized deductions for real property taxes are limited to $10,000 ($5,000 for a married taxpayer filing a separate return) in the aggregate, when combined with all other state and local taxes as specified in Section 164 of the Code.

Based on the foregoing, and subject to the limitations expressed herein, it is our opinion that each individual Residential Unit Owner who itemizes deductions will be entitled under current Federal income tax law to deduct from his or her gross income the New York real property taxes assessed against his or her Residential Unit and paid by the Residential Unit Owner to the local authority, subject to the limitation discussed above. Further, no deduction for state and local real property taxes is permitted for purposes of the Federal alternative minimum tax. Residential Unit Owners should consult their tax advisers regarding the effect of the alternative minimum tax.

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

Common Charges

Under the Plan, the Condominium Board will, from time to time, assess Common Charges against the Residential Unit Owners, generally in proportion to their respective percentage interests in the Common Elements in order to pay the costs and expenses of operating, repairing, and maintaining all such Common Elements.

In certain circumstances, a condominium board may elect to be treated as a "homeowners association" within the meaning of Section 528(c) of the Code and, therefore, could elect to be exempt from Federal income taxes on amounts received as membership dues, fees, or assessments from owners of condominium housing units (such amounts, "exempt function income"). In order for the Condominium Board to qualify to make such an election, Code Section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least eighty-five percent (85%) of the total square footage of all of the Units within the Condominium be used by individuals for residential purposes and that the Condominium Board meet certain gross income and expenditure tests.

It is currently anticipated that less than eighty-five percent (85%) of the total square footage of all of the Units in the Condominium will be used for residential purposes. Therefore, the Condominium Board will not be eligible to elect to be treated as a homeowners association under Code Section 528.

Absent the application of Code Section 528, the status of a condominium Board for Federal, New York State, and New York City income tax purposes is uncertain as to the proper reporting and tax treatment of the income of the Condominium Board derived from Residential Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium Board could be viewed as an agent or conduit for Residential Unit Owners, in which case each Residential Unit Owner would be required to report his or her proportionate share of nonmembership income and possibly membership income (and the deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium Board should be treated as a separate entity. In that case, it is unclear whether the Condominium Board would be taxable as a corporation or treated as a partnership. If the Condominium Board is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax, the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium Board is treated as a partnership, the Residential Unit Owners (but not the Condominium Board) would be subject to Federal, New York State, and New York City income tax on their proportionate share of taxable income of the Condominium Board. The Condominium Board, in such an instance, may be subject to the New York City Unincorporated Business Tax. In determining the taxable income of the Condominium Board, the Condominium Board's deductions attributable to furnishing services to Unit Owners may be limited to their membership income. Certain amounts expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments, may be treated as distributions to them.

* * *

We express no opinion concerning: (a) any Federal, New York State or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan, including the ownership of a Residential Unit, under the laws of any state other than New York, local jurisdiction other than New York City, or foreign jurisdiction. Except as explicitly provided herein, this opinion does not address: (i) the tax consequences of the ownership of Residential Units by taxpayers who are not individual residents of New York City for income tax purposes, including corporations and other entities, and foreign individuals or foreign entities; (ii) the tax consequences of the ownership of the Commercial Unit; (iii) the tax consequences which may result with respect to any Residential Units held in connection with a trade or business, for investment purposes or for the production of income; or (iv) the estate tax consequences of ownership of any Units. This opinion also does not discuss the tax consequences which may arise if Residential Units or Common Elements are acquired by the Condominium Board or whether a Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit. We advise, therefore, that each person contemplating the purchase of a Residential Unit consult his or her own tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the Federal, New York State and New York City tax laws and regulations and the rulings and decisions thereunder may change and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised Sponsor that it is obligated to do so.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which we base this opinion will not change, possibly with retroactive effect. In no event will we, Sponsor, the Condominium Board, the Selling Agent, the Managing Agent or any other person connected with the Plan be liable if there are changes in the facts on which we relied in issuing this opinion or if there are changes in the applicable statutes, regulations, rulings or decisions on which we relied which cause the Residential Unit Owners not to be entitled to the income tax deductions described above or which affect the tax treatment of the Condominium Board as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Kramer Levin Naftalis & Frankel LLP

2. **Opinion Regarding Allocation of Common Interests**

[On Following Page]

Kramer Levin

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T 212.715.9100
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April 11, 2024

304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, New York 10019

Re: The 57 Lispenard Street Condominium
57 Lispenard Street, New York, NY (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium 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 Offering Plan (the "Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests of the Units as shown on Schedule A of the Plan included or to be included in the Condominium Declaration. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Monarch Realty Group Holdings LLC (the "Budget Expert") as set forth in his 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 Budget Expert.

Based upon our review of the foregoing, we have determined that Common Interests were allocated to the Units pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Kramer Levin Naftalis & Frankel LLP, Selling Agent, the Managing Agent, the Budget Expert or the 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.

Sincerely,

Kramer Levin Naftalis & Frankel, LLP

3. **Real Estate Tax Opinion**

[On Following Page]

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March 13, 2024

304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, New York 10019

Real Estate Tax Projection
57 Lispenard Street
Manhattan Block 210, Lot 18

Ladies and Gentlemen:

You have requested that we project the real estate tax liability for an existing mixed-use building at the location described above (the "Building") that will be converted to condominium ownership and operation. You have advised us that some or all of the condominium units will be offered for sale by the Sponsor of an Offering Plan.

You have provided us with a description of the Building, which we understand is subject to change, including the gross floor areas of the several parts of the Building, the number and types of units, and dates for commencement and completion of renovations and the beginning of the first year of condominium operation.

We have projected the real estate taxes for the New York City fiscal years that overlap with the first and second years of condominium operation. Our projections are based on the description of the Building that you have provided, a review of public records, an analysis of the assessments of similar condominium buildings, our experience with New York City's tax policies and assessment practices, and applicable law.

The City levies real estate taxes on the basis of its fiscal year that runs from July 1 to June 30. An annual tax is levied on each separately assessed parcel of real property, including individual condominium units.

The City's Department of Finance ("DOF") conducts an annual revaluation for real property tax assessment purposes. DOF estimates a Full Value for each property using one or more of three generally recognized appraisal methods. These are the sales price comparison, income capitalization and cost approaches to value.

Full Value is generally equated with market value, which is the price that a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently and knowledgeably, and the price is not affected by undue stimulus.

In theory, the three approaches to value should produce similar estimates. However, in practical use, the choice of methods may be limited by the availability of data and the results of the different approaches may be difficult to reconcile.

Each of the three approaches to value may make use of data for the subject property as well as from other similar properties.

The sales price comparison approach involves identifying properties that have recently sold in open market transactions and adjusting for time trends and differences between the sold properties and the subject property. For most types of property, comparisons are made on the basis of sale price per standard unit, such as square feet of building floor area.

The capitalization of income approach relies on the assumption that the price an investor will pay for an income-producing property is based on the potential net income to be derived from ownership of the property. The income capitalization method commonly applied for tax assessment purposes involves dividing an estimated annual net operating income by a capitalization rate that reflects the rate of return required by investors in the applicable market.

For some small properties, such as the Building, DOF uses a method that combines aspects of the sales comparison and income approaches. DOF develops gross income multiples by neighborhood by comparing sales prices to the actual or estimated potential income of buildings that were recently sold. It then applies these gross income multiples to the actual or estimated income of small residential and mixed-use buildings in the same neighborhood.

The cost approach relies on the assumption that the price an investor or property user will pay for a property is limited by the sum of the cost of construction and the value of the underlying land. This method of valuation is generally considered best used for new buildings; for older buildings it requires adjustment for depreciation and obsolescence, which are difficult to determine. Relevant data used in the cost approach include materials and labor ("hard costs"), and financing, engineering, architectural, testing and professional fees, and construction-period taxes ("soft costs").

The methods developed by the appraisal profession for single-property valuations are modified for tax assessment purposes by the needs of the mass appraisal process and legal constraints imposed by judicial precedent in contested valuation cases and state and local laws.

Real Property Tax Law § 581 requires that DOF assess residential condominiums without regard to their form of ownership. This requirement has been interpreted to mean that condominiums are to be assessed as if they were rental properties and precludes the use of individual sales to determine an aggregate value of the condominium property.

The courts have held that the most relevant method for valuation of rental apartment buildings is the capitalization of income. This has been extended to residential condominiums where the income capitalization approach relies on rents imputed from comparable rental properties.

Consistent with the statute and judicial precedent, DOF has adopted a practice of using the income approach as the primary method of valuation for residential condominiums having more than ten units. However, for small buildings that it considers to be primarily residential in use, DOF applies its gross income multiple as its primary approach to value. On review, the Tax Commission or a court may apply a conventional income capitalization approach.

Under current practice, DOF considers construction cost only in connection with measuring value increments during construction or renovation, which in aggregate are limited by the value derived by the primary valuation approach.

Tax assessments are determined based on the value and condition of the property on the Taxable Status Date, which is the January 5 prior to the beginning of the City fiscal year for which the assessment is made. Real Property Tax Law §§ 301, 302; New York City Charter § 1507.

When an existing building is undergoing renovations DOF may add value based on an estimate of the cost of the work in place as of the Taxable Status Date. Generally, such increases will not result in an assessed valuation greater than that indicated by primary valuation approach.

DOF publishes tentative assessments for each tax lot on or about January 15. Tentative assessments are subject to change by DOF for limited periods and become final on or about May 25.

Tentative assessments may be appealed by filing an application on or before March 1 with the New York City Tax Commission, which has authority to reduce assessments that it finds erroneous. Tax Commission appeals and further proceedings in state court may continue after the assessments are final and are often resolved one or more years after the taxes have been paid. In residential condominiums, the board of managers, as agent for the unit owners, typically retains counsel to challenge the annual assessments.

Condominium units are first separately assessed by DOF on publication of a tentative or final assessment following the filing and recording of a Declaration of Condominium in DOF's Office of the City Register and approval of an application for apportionment of the initial tax lot by DOF's Tax Map Unit. When the application is approved, each unit is assigned a tax lot

number. If the site consists of multiple contiguous tax lots, these will usually be merged prior to the apportionment into individual condominium tax lots.

The new, separate assessments will be used to calculate taxes for the next following fiscal year beginning on July 1. Tax installments with future due dates for the current fiscal year may also be apportioned when the tax map change is approved.

Prior to separate assessment, DOF will value the entire property as a whole. The Offering Plan or Declaration of Condominium may provide for a method for apportionment of taxes based on a single assessment for the entire property.

When the property is separately assessed, DOF will first estimate a Full Value for the entire property or for portions of the property consisting of groups of units having the same or similar use, such as for-sale residential, residential rental, storage, parking, community facility or retail use. DOF will then allocate its value estimates to the individual units.

DOF has used several methods of allocating value to the units in the past and the method to be used is not prescribed by law. For more than fifteen years, DOF has used the common interest percentage assigned to each unit by the Declaration of Condominium as the basis for allocation.

We make no representation as to the City fiscal year for which the units will be separately assessed and billed by DOF, the method of allocation of value to the units that DOF will use when it separately assesses the units or the method that will be used to allocate taxes prior to separate assessment and billing.

In making our projection, we seek to emulate the method that DOF will use to estimate the value of the property. We review all of the general information published by DOF as well as the assessments and related data published in respect to condominium buildings.

DOF's method of valuation, classification and assessment of primarily residential property having fewer than eleven units differ materially from the methods used for larger buildings. The state law provides that the assessment roll shall identify primarily residential parcels that have fewer than eleven residential units. DOF has taken the position that a store or other commercial space will be counted as a unit for this purpose.

The Building is currently designated on the assessment roll as a primarily residential property with fewer than eleven units. Under DOF's current practices, the conversion to condominium ownership and use will not change that designation. Under these practices, the determination of primary residential use in a mixed-use property is based on the floor area of residential use compared to the total floor area. That method has been in place for more than 30 years. However, previously, the determination of use was based on relative value. If there were a change back to a value-based classification, it is uncertain whether the Building would continue to be designated as primarily residential, and therefore subject to the special valuation,

classification and assessment methods now applied to such properties. We have assumed that the special designation will continue to apply to this property.

We have observed the following aspects of DOF's current methods of valuation of condominiums within the special subclass of primarily residential with fewer than eleven units.

DOF uses a gross income multiplier as its primary method to estimate Full Value. The gross income used is determined by multiplying the gross floor area by an estimated income per gross square foot. There is considerable variation in the estimated income per square foot that is not apparently explained by differences in location, height, amenities or other physical or market criteria.

Residential gross area as measured by DOF is typically greater than the aggregate unit areas listed in the offering plan. Gross floor area generally includes all areas from the outside surface of the outer walls. Therefore, most or all of the common areas of the building, which are excluded from the unit areas, are included in DOF's measurement. However, space open to the sky, such as balconies, terraces and roof decks are not included in DOF's measurement of gross floor area. Floor area, other than amenity or commercial space, that is located below-grade or above the main roof may also be excluded in some cases.

In mixed-use buildings, DOF's estimate of gross residential floor area often appears to reflect the total gross area of the building, less the unit areas of the commercial and other nonresidential uses.

DOF multiplies its estimated Full Value by its stated level of assessment of 45% to determine a target assessment, which is referred to as the Market Assessed Value on some DOF records. The 45% level of assessment, which is determined administratively, has been in place since 1983. We have applied the 45% level of assessment in projecting the target assessments.

State law makes most year-over-year changes in Actual Assessments for properties in the special residential subclass subject to caps. Increases are limited to 8% in any one year and 30% in any five-year period. Whenever the caps limit the Actual Assessment to less than 45% of the estimated Full Value, the capped Actual Assessment will be the taxable value on which taxes are computed. Conversely, if 45% of the estimated Full Value is less than the maximum assessment allowed by the caps, the Actual Assessment will be the lower value based on the Full Value at 45%. However, as many properties have been subject to caps for a long time, including periods of rapid growth in Full Value estimates, it is very common for the caps to limit the Actual Assessment to a fraction of Full Value that is much less than 45%.

Assessment changes attributed by DOF to new construction or renovation work are not capped but added to the Actual Assessment at one third the amount that would apply to other, larger primarily residential properties. Those properties may receive increases based on the value added at the 45% level of assessment. One-third of this amount equates to 15% of the added value for the capped properties. Work in place as of January 5 may be considered in determining

the value added by construction or renovation for the next following City fiscal year's assessment.

DOF calculates a Taxable Assessment by deduction from the Actual Assessment of any partial exemption to which the property is entitled. We have been advised that no application has or will be made for a building-wide exemption. However, owners may benefit from individual exemptions or abatements that apply to their specific units. For purposes of this projection, we have assumed that none of the units will benefit from a partial exemption. The cooperative/condominium abatement program is discussed below.

As part of its annual assessment, DOF determines the Tax Class of each tax lot. Buildings that are primarily residential in actual use or design and separately assessed residential condominium units are designated as Class 2 property. Class 2 condominiums designated as having fewer than 11 units (as defined for this purpose) are described as 2C properties on DOF records. In larger buildings, separately assessed commercial, community facility, parking and storage units are designated as Class 4 property. However, in 2C buildings, all units are classified as Class 2 property. Therefore, the Class 2 tax rate will apply to a commercial unit.

DOF calculates the annual tax for the City fiscal year by multiplying the Taxable Assessment by the tax rate for the tax lot's Tax Class. Tax rates are set annually as part of the City's budget process and are often adjusted retroactively after the initial bills are issued. Over the past twenty-five years, tax rates have increased and decreased each year, usually by relatively small increments. We have assumed for purposes of these projections that the most recent final tax rates will remain in effect for all of the City fiscal years involved.

Real Property Tax Law § 467-a provides for a cooperative/condominium abatement program that, where applicable, commonly reduces the tax liability of eligible residential units by 17.5%. Property held in the condominium form of ownership that is receiving complete or partial real property tax exemption or tax abatement pursuant to any other provision of law, with certain limited exceptions, is not eligible to receive the cooperative/condominium abatement. We are advised that no such exemption or abatement will be sought and therefore this restriction will not affect potential eligibility for the cooperative/condominium abatement.

In order to receive the abatement for a City fiscal year, the condominium's board of managers must file an initial or renewal application with DOF by February 15 prior to the beginning of the City fiscal year. The unit must have been separately assessed and must have been owned on January 5 by an individual whose primary residence was in the Building. Units owned by sponsors or owners of more than three units in the building are not eligible. DOF will not grant the abatement if the unit was owned by an LLC, partnership or corporation. Units owned in trust may qualify provided the legal or beneficial owner is a primary resident.

The abatement is available only if the board of managers submits an affidavit stating that it will require that, during the City fiscal year for which the abatement is sought, all building service employees employed at the property receive the prevailing wage in New York City for

workers in the same trade or occupation as determined by the City Comptroller. This requirement applies if the average assessment per residential unit is $60,000 or more of, if there are fewer than 30 units, $100,000 or more. We have projected an average assessment for the residential units greater these thresholds for the first City fiscal year reflecting full completion of the building. Therefore, the abatement if otherwise potentially available would require payment of prevailing wages under the current law if it continues in effect.

The state legislative authority for the cooperative/condominium abatement has been periodically renewed since its first enactment in 1996. The current authorization expires prior to the end of the period involved in this projection. There is no assurance that the authorization will be renewed or, if renewed, that its requirements and limitations will not change. Further, if renewed, the eligibility of the individual units cannot be determined without additional information that is not available at this time. We have for purposes of these projections assumed that no abatement will be deducted from the gross tax liability.

The current and historical assessed values and approximate tax liabilities for the property are as follows:

City Fiscal Year	2022/23	2023/24	2024/25
Actual Total Assessment	$2,351,659	$2,539,792	$2,617,492
Tax Rate (*Estimated*)	12.267%	12.502%	*12.502%*
Approximate Annual Tax	$288,478	$317,525	$327,239

Our projections of the assessments and tax liabilities for the first and second years of condominium operation are set forth below.

We project that for all relevant tax years the Actual Assessments will be set at the maximum amounts allowed by the statutory caps because such amounts are less than 45% of the estimated Full Values.

We project that Actual Assessments, Taxable Assessed Values and taxes for all relevant tax years will be allocated in proportion to the common interest percentages of the residential and commercial units. Therefore, we have not projected separate amounts for the commercial unit.

Average assessed values and taxes per gross square foot of floor area are provided here with respect to the Building as a whole; these values cannot be accurately used to estimate the assessed value or taxes for a specific unit. The tax estimates for specific units should be based on an allocation of the total projected tax.

Assumed Start of Condominium Operation	7/1/2024
Most Recent City Fiscal Year Assessments	2024/25

All Units				Per sq. ft.
Estimated Gross Floor Area	12,060	sq. ft.		
Projected City Full Value Estimate	$9,443,000			$783
Level of Assessment	45%			
Indicated Assessed Value without Cap	$4,249,350			$352
City Fiscal Year 2024/25				
Projected Actual Assessed Value with Cap	$2,539,792			$211
Projected Tax Rate	12.502%			
Projected Annual Tax	$317,525			
Projected Tax per Month	$26,460			
City Fiscal Year 2025/26				
Projected Actual Assessed Value with Cap	$2,617,462			$217
Projected Tax Rate	12.502%			
Projected Annual Tax	$327,235			
Projected Tax per Month	$27,270			
City Fiscal Year 2026/27				
Projected Actual Assessed Value with Cap	$2,617,462			$217
Projected Tax Rate	12.502%			
Projected Annual Tax	$327,235			
Projected Tax per Month	$27,270			
First Year of Condominium Operation	7/1/2024	to	6/30/2025	
Projected Annual Tax				$317,525
Second Year of Condominium Operation	7/1/2025	to	6/30/2026	

Projected Annual Tax	$327,235

The foregoing analysis is based upon our experience with DOF assessment practices in respect to properties held in the condominium form of ownership. Application of a particular approach to valuation when actually made may result in assessed valuations significantly more or less than estimated here.

These projections do not take into account potential future changes in market values, assessment practices, levels of assessment or tax rates.

Our projections are estimates based on our understanding of the current assessment practices of DOF. However, these practices have not been employed consistently by DOF, and it is therefore not possible to estimate the post-construction assessed valuation of this property with certainty. The assessment and tax liabilities, when actually determined by DOF, may be significantly more or less than as estimated herein.

While we believe our projections are well founded, they are not intended, and should not be construed as representations or warranties.

The relevant laws and practices of the DOF upon which these projections are predicated may in the future be revised in a manner adverse to the interests of the owners, or there may be an adverse interpretation of the law by one or more agencies of the City of New York, or the courts. We have not under undertaken to advise you should we become aware of the changes in DOF's assessment practices or in the relevant laws or judicial precedents.

This letter was prepared at your request as Sponsor. Certain figures set forth herein are approximations derived from material submitted by you and are subject to change. We have not passed upon the accuracy of any figures or estimates contained in the Offering Plan and offer no warranties of the amount of any tax liabilities for any period.

We consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

Marcus & Pollack LLP

Marcus & Pollack LLP

V. WORKING CAPITAL FUND

The Purchaser of each Unit shall be required to make a contribution at the closing of title to such Unit(s) to or in respect of the working capital fund of the Condominium (the "Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months' Common Charges then in effect for each Unit pursuant to the budget, as the same may be amended from time to time, which funds may be used by the Condominium Board for any purpose, including but not limited to, working capital.

At the First Closing, Sponsor will apportion the following items with the Condominium Board as of the date preceding said closing:

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

(2) fees for assignable permits and licenses, if any;

(3) charges for steam, gas, electricity and other utilities;

(4) payments under assignable service, maintenance and concession contracts;

(5) water charges and sewer rents on the basis of the fiscal year for which assessed (unless separately assessed to individual Units);

(6) cost of fuel and Building supplies on hand, at Sponsor's cost (plus sales tax);

(7) premiums for transferable insurance policies; and

(8) other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. No such adjustments or apportionments are expected to be substantial. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Condominium Board, in its sole discretion and may be augmented by allocations from monthly Common Charges collected by such Board. Other than as provided in the preceding sentence, Sponsor will not separately contribute to the Working Capital Fund. However, while Sponsor controls the Condominium Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

There will not be a minimum Working Capital Fund in place at any given time. No representation is made that the Working Capital Fund, together with the Common Charges, will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of Condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners. Sponsor will not separately contribute to the Working Capital.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

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W. RESERVE FUND

No reserve fund is being established for the Condominium for use by the Condominium Board by Sponsor, and the Condominium Board, in general, has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). There is no warranty in effect covering the roof. The Budget for the First Year of Operation (Schedule B) provides a line item for a contingency to cover unanticipated expenses, however, Sponsor makes no representations, warranties or guarantees as to whether such contingency will be sufficient to cover any unanticipated expenses. The Condominium Board may decide in the future to establish a reserve fund, supplement the contingency fund initially established or pay for necessary repairs or capital items by special assessment or by increasing Common Charges, payable by the Unit Owners, as to which the Condominium Board is authorized to establish under Section 2.2.2(w) of the Condominium By-Laws. Each Unit Owner would be individually liable for the amount of such special assessment against, or increase payable by the Condominium Board to the extent of such Unit Owner's proportionate Common Interest among all Unit Owners.

X. MANAGEMENT AGREEMENT AND CONTRACTS

1. Management Agreement

It is presently contemplated that at or prior to the First Closing, the Condominium Board will enter into a management agreement (the "Management Agreement") with Monarch Realty Group Holdings, LLC, having an address at 244 Water Street, C1, Brooklyn, New York, to act as managing agent (the "Managing Agent") with respect to the Condominium. The Managing Agent is not an affiliate of Sponsor. The Managing Agent will work in the best interest of the Condominium. Notwithstanding the foregoing, Sponsor reserves the right to cause the Condominium Board to engage (or to engage on behalf of the Condominium Board) a different managing agent (which may also be an affiliate of Sponsor) to serve as Managing Agent. The identity of any different or substitute managing agent to serve as Managing Agent will be disclosed in a duly filed amendment to this Plan.

It is contemplated that the Management Agreement will provide for an initial term of one (1) year from the commencement date and thereafter will be automatically renewed for subsequent one (1) year periods, until terminated as therein provided. At any time after the initial term, the Management Agreement may be terminated at the option of the Managing Agent, with or without cause, at the end of any calendar month upon not less than 60 days' previous notice from one party to the Condominium Board. At any time, Condominium Board may terminate the Management Agreement for cause, effective upon thirty (30) days prior written notice, which notice shall state the reason for cause and provide Managing Agent with a reasonable opportunity to cure, as applicable. There is no prohibition or restriction on the assignment of the Management Agreement by the Managing Agent under the terms of the Management Agreement.

The Managing Agent will receive an initial set up fee of $1,000 plus an annual fee of $15,000 for such first year, payable in equal monthly installments.

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

(a) Employ, contract for and supervise employees necessary for the proper maintenance and operation of the Condominium.

(b) Assist the Condominium Board in the routine maintenance and repair of the areas within the Building required to be maintained by the Condominium Board under the Condominium Documents, or the Managing Agreement, as applicable, as the Board directs. Ordinary non-emergency repairs or maintenance involving an expenditure of more than $3,000 for any one item or job, which is not part of a budget previously approved by the Board, shall be made only with the approval of the Board.

(c) Recommend and, with the approval of the Condominium Board, cause all such acts and things to be done in or about the Condominium as shall be necessary or desirable to comply with any law, statute, ordinance, rules, orders or violations affecting same as a result of any action by any federal, state, or municipal authority having jurisdiction there over, or any of the New York Board of Fire Underwriters, the New York Fire Insurance Exchange or other similar body.

(d) Subject to the direction of the Condominium Board and the Condominium Board's budget, solicit, analyze and negotiate contracts on behalf of the Condominium Board, as needed, for services reasonably necessary with respect to the operation, maintenance, upkeep, repair, replacement, and preservation of the Condominium.

(e) Purchase, as needed, on behalf of the Condominium Board, all supplies and materials as may be necessary or desirable for the maintenance, upkeep, repair, replacement and preservation of the Condominium.

(f) If requested by the Condominium Board, through an insurance broker selected by the Condominium Board, assist the Condominium Board in procuring insurance policies the Condominium Board may elect to maintain relative to the. Notify the Board and the Condominium Board's insurance broker of any insurance claim for losses sustained by the Condominium Board at the Condominium promptly after Managing Agent becomes aware of such claim. Managing Agent shall assist in investigating each such claim and making all relevant records and information available to the insurance carrier and/or any public adjuster or other party authorized by the Condominium Board to act on its behalf to negotiate such insurance claims with the insurance carrier. Managing Agent shall not negotiate the settlement of any insurance claim as part of its services under the Management Agreement.

(g) Review and process all invoices received by Managing Agent for services, work, and goods ordered in connection with maintaining and operating the Condominium. Pay or cause to be paid all such bills determined by Managing Agent to be properly due and payable.

(h) Timely bill or cause to be billed, Unit Owners, and if applicable tenants or sub-tenants, and collect Common Charges, rent, or other charges.

(i) Consider and, when reasonable, attend to complaints of the Unit Owners and lawful tenants and occupants of the Condominium.

(j) Cause to be prepared and filed the necessary forms for unemployment insurance, withholding and social security taxes and all other tax and other forms relating to employment of the building services employees and maintenance and operation of the Condominium required by any federal, state or municipal authority.

(j) Not later than the twentieth (20th) day of each month, prepare and deliver to the Condominium Board, monthly financial reports detailing the amounts collected during the previous month and disbursements made on behalf of, and for the account of, the Condominium Board, in the standard form used by Managing Agent for reporting to boards/boards of Managing Agent's managed properties

(k) Establish and maintain a set of the Board's files and records relating to the Property and its operation, including separate, accurate income and operating expense statements and files.

(l) Cooperate with the Condominium Board's accountants in their preparation and filing of the Condominium Board's federal, state, city and any other income and other tax returns required by any governmental authority.

(m) Assist the Condominium Board in preparing an annual operating budget of the anticipated income and expenses for the ensuing year, a comparison of such budget to the income and expenses of the preceding and current years, and any reasonably required explanations with respect thereto.

(n) Arrange for, send notices, attend, and prepare agendas for certain meetings of the Condominium Board and certain annual and special meetings of the Unit Owners. The Condominium Board shall reimburse the Managing Agent for reasonable costs related to the administrative assistant attendance at such annual and special meetings.

(o) Cooperate in its role as Managing Agent in assisting the Condominium Board to procure a new mortgage, refinance an existing mortgage, or obtain unsecured financing.

(p) Accept, collect, organize and process applications and references from all prospective Residential Unit Owners and tenants for the sale or lease of a Residential Unit. Upon approval of any Residential Unit sale (or waiver of the Condominium Board's right of first refusal), Managing Agent shall act as the Condominium Board's representative at the closing of the sale and shall deliver the Condominium Board's waiver of its right of first refusal (if provided by the Condominium Board) and any other documents required to be delivered and cause to be provided timely proper documentation of the transfer and the payment of any outstanding charges.

(q) Coordinate the scheduling of moving in and out of Residential Unit Owners, tenants and subtenants to as there will be a minimum of disturbance and inconvenience to other Unit Owners, tenants or sub-tenants.

(r) Administer the application for and supervise performance of Residential Unit Owner alterations.

(s) Cooperate with the Condominium Board's tax certiorari attorneys in ascertaining the tentative assessed valuations of the Property, in notifying the Condominium Board of such assessments, and in the coordination of the filing of an application for correction of the assessed valuation to be filed with the Tax Commission of the City of New York (as prepared by the tax certiorari attorney).

The management fee will be included in the Common Expenses as discussed above in Schedule B – "Projected Budget for First Year of Condominium Operation." The Managing Agent will be entitled to additional fees for certain special services performed by it, including, without limitation:

(i) Fees for services in connection with the processing of each application for the sale or lease of a Residential Unit and for other services as described in the Management Agreement.

(ii) Fees for services as described in the Management Agreement in connection with the preparation, review and processing of an apartment alteration agreement submitted by a unit owner.

The Condominium Board will indemnify the Managing Agent against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon Managing Agent in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Condominium Board) to which Managing Agent may be a party or in which it may become involved by reason of being or having been the Agent, or in which it shall become involved by reason of Managing Agent's acts committed at the direction of the Condominium Board whether or not the Management Agreement shall be in effect at the time such expenses are incurred; provided such indemnification shall not extend to any action, suit, or other proceeding arising in connection with any gross negligence, willful misconduct, or bad faith of Managing Agent (provided, however, any wrongful acts committed at the express direction of the Managing Agent shall not be considered gross negligence, willful misconduct, or bad faith of Managing Agent for purposes of this subparagraph). As a condition to this indemnity, Managing Agent shall provide Condominium the Board with prompt notice of any claim, demand, loss, or action against Managing Agent by reason of which the Condominium Board shall have liability to Managing Agent under this indemnity.

Reasonable disbursements or expenses incurred in the performance of Managing Agent's duties under the Management Agreement for such items as postage, messenger, photocopying (internal and external), courier, long distance telephone costs, record storage and retrieval costs, or overnight delivery expenses will be reimbursed to Managing Agent by the Board. Any payments to third parties made by Managing Agent under the Management Agreement and fees payable to Managing Agent shall be made out of such sums as are available in the Condominium's operating account (as defined in the Management Agreement), or as may be otherwise provided to Managing Agent by the Condominium Board. The Condominium Board shall reimburse Managing Agent promptly for any monies which Managing Agent may elect to advance for the account.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by the Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. After the Initial Control Period, upon the expiration or sooner termination of the then current agreement with the Managing Agent, the Condominium Board may designate any other managing agent to perform the duties and services to be performed by the Managing Agent under the Plan. The term "Managing Agent" when used in the Plan with respect to any time after Sponsor or the Condominium Board has designated another managing agent shall mean such other agent.

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Y. IDENTITY OF PARTIES

1. Sponsor

Sponsor is 304-306 Canal Street LLC, a Delaware limited liability company with an office at c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019. Sponsor, in its capacity as declarant under the Declaration, is referred to as "Declarant".

The principals of Sponsor are Barry S. Langer and Thomas Sanelli. Mr. Langer is the Executive Vice President and Development and Co-Head of Real Estate of Vorando Realty Trust ("VNO") Mr. Sanelli is the Executive Vice President and Finance and Chief Administrative Officer of VNO. The business address for VNO is 888 Seventh Avenue, New York, New York 10019. Both Mr. Langer and Mr. Sanelli have extensive experience in the development and ownership of real property.

Principals of Sponsor have been involved in offerings in the below listed condominiums within the last five (5) years as noted below:

Condominium	**AG File No.**	**Principals**
The 220 Central Park South Condominium 220 Central Park South New York, New York	File No. CD14-0184	Mr. Langer and Mr. Sanelli
37 Lispenard Street Condominium 37 Lispenard Street New York, New York	File No. CD23-0211	Mr. Langer and Mr. Sanelli

The Secretary of State has been designated to receive service of process for Sponsor.

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 fifteen years prior to the submission of this Plan.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Kramer Levin Naftalis & Frankel LLP, having an office at 1177 Avenue of the Americas, New York, New York 10036 ("Sponsor's Counsel"), to represent it in connection with the Plan. Jonathan H. Canter, Esq. and Nicole De Bare, Esq. had principal responsibility for the preparation of the Plan, the Declaration, the By-Laws and the forms of Agreement, Unit Deed and Unit Power of Attorney. Sponsor's Counsel has also rendered opinions with respect to the possible availability of income tax deductions to Purchasers of Residential Units and the allocation of Common Interests. Sponsor's counsel will serve as Escrow Agent under the Agreements and will represent Sponsor in connection with Unit closings.

3. **Selling Agent**

The Selling Agent is Corcoran Group., having its main office at 590 Madison Avenue, New York, New York 10022.

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

4. **Managing Agent**

Sponsor anticipates entering into an agreement with Monarch Realty Group, having an address at 244 Water Street, C1, Brooklyn, New York (the "Managing Agent"), to be the Managing Agent of the Condominium. Managing Agent is not an affiliate of Sponsor. Managing Agent has been involved in the management of real estate for many years, and has experience in the management of several luxury residential buildings in Manhattan. The Managing Agent will work in the best interest of the Condominium.

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

The Managing Agent currently manages over 30 properties in New York City, including the following premises: 251 West 14th Street, New York, New York; 359 2nd Avenue, New York, New York, 22 Renwick Street, New York, New York, 318 East 81st Street, New York, New York, 19 Park Place, New York, New York and 260 Bowery, New York, New York

5. **Budget Expert**

Monarch Realty Group, having an address at 244 Water Street, C1, Brooklyn, New York, estimated all amounts of income and expenses in Schedule B, "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. The budget expert has no financial interest in the Property, in Sponsor, or in any other party interested in this transaction, except: (i) for its fees for services rendered in connection with the same; or (ii) to the extent it may in the future be designated as Managing Agent.

6. **Real Estate Tax Consultant**

Marcus & Pollack LLP, having an office at 633 Third Avenue, 9th Floor, New York, New York has been engaged as a real estate tax consultant in connection with the Plan. The firm prepared a forecast of the assessed valuation of the Units following construction and submission of the Property to a condominium regime of ownership that was used in preparing the provisions of Schedule A and other disclosures in the Plan regarding projected real estate taxes. The real estate tax consultant has no financial interest in the Property, in Sponsor, in the Managing Agent,

or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

7. **Construction Professionals**

ADG Architecture & Design, P.C., with an address at 13 West 36th Street, 7th Floor, New York, New York is the architect of record who prepared the "Description of Property and Building Condition" and the Floor Plans, each contained in Part II of this Plan. ADG Architecture and Design P.C has been incorporated since 2000 after acquired the clients of Architects Design Group, P.C., an established architectural firm in business 25 years.

The mechanical engineer for the project is Lilker Associates, located at 1001 Sixth Avenue, #9, New York, New York 10018. Lilker was initially founded in 1985 as a mechanical, electrical and plumbing design firm and is currently headquartered in Manhattan with branch offices on Long Island, in Falls Church, VA and Dallas, Tx.

None of the construction professionals has a financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for their respective fees for services rendered in connection with the same.

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Z. 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 six (6) months 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 thirty (30) days' prior notice of the annual Unit Owners' meeting; and

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(d) of the Regulations of the Department of Law.

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AA. DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six (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 City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board at the time of the First Closing.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Condominium Board at such time.

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BB. GENERAL

Except as set forth herein, there are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

To the best of Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective Purchasers.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law. Notwithstanding the foregoing, Sponsor refusing to enter into an Agreement with a person that is listed as sanctioned by the United States Government shall not be deemed to be a discriminatory act.

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. The form of Declaration, form of By-Laws, form of Agreement, form of Unit Deed, form of Unit Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents, or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

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

Sponsor reserves the right, from time to time prior to the First Closing, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor and/or prospective Purchasers under the Plan. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their respective Agreements by written notice to Sponsor given within fifteen (15) days after the date of presentation of such amendment. In such event, Sponsor shall direct the Escrow Agent to return the Deposit of any Purchasers who duly rescind their Agreements, together with any interest earned thereon.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not

contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

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CC. RESERVATION OF AIR AND DEVELOPMENT RIGHTS

All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, or which may otherwise become available to the Property in the future (collectively, the "Air Rights" or "Development Rights") shall be allocated to and made a part of the Commercial Unit. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the board of managers or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, as a result of such reservation by the Commercial Unit Owner, such Commercial Unit Owner may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale and/or merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA")

The Air Rights allocated to the Commercial Unit will not be used to add additional floors to the top of the Building. Except in the case of a sale or transfer for use in connection with other properties, the reserved Air Rights will be used in the Property solely for the purpose of reconfiguring certain areas (e.g., adding mezzanine space, converting mechanical space to space used for other purposes) which, pursuant to the applicable provision of the Zoning Resolution, will require the use of Air Rights in excess of those used in connection with the initial construction of the Building in accordance with the Plan. In addition, the Sponsor has no plans at this time to utilize or transfer any such excess Air Rights outside the envelope of the Building. As of the date of acceptance of this Plan, there are no unused Air Rights, which amount is subject to change.

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DD. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

The building is comprised of 5 stories above grade with one below grade cellar and, to the best of Sponsor's knowledge, was originally constructed in approximately 1860-1861 and was most recently renovated in 2018 (the "Building"). The Residential Units and the Commercial Unit are being offered and will be delivered in their existing "AS IS" "WHERE IS" condition in which they exist at the time a purchaser signs an Agreement (including without limitation, the kitchen appliances, VRF heating and cooling system and washer/dryer, which are not new and will not be replaced, except that they shall be in working order at the time of closing), subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing. Sponsor will maintain each of the Units, and fixtures and personalty, up to the time of the transfer of title to the Unit in question. Sponsor shall not be obligated to correct, repair or replace any and all defects relating to the Units or the Common Elements or in the installation or operation of any appliances, fixtures or equipment therein, except as expressly provided in this Plan. Sponsor is not intending on making any material upgrades to the Common Elements at this time. Except as otherwise expressly provided in this Plan, Sponsor's obligation to make repairs in any Unit shall cease upon the closing of title to such Unit. Sponsor will, however, maintain and operate the Building until the First Closing in substantially the same manner and condition as set forth in this Plan (subject to ordinary wear and tear) except to the extent that Sponsor is precluded from so doing by acts of God, fire or other casualty, storm, strikes, lockouts, labor difficulties, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which Sponsor is reasonably unable to exercise control. If for any of the reasons set forth in the preceding sentence, other than fire or other casualty, Sponsor is prevented from so maintaining the Building and the Common Elements (or causing the same to be maintained), Sponsor shall make or cause to be made, within a reasonable period of time after such act ceases to exist, any repairs subsequent to the First Closing that it was obligated to make prior to the First Closing.

If a Unit borders or is located near a rooftop or other area, there may be equipment for the building, or other obstructions, that may be visible from the windows of said Units.

As more fully described in "The Property" in Section A above, and subject to the matters described therein, Sponsor anticipates that the first closing of a Unit to occur in or about July 1, 2024. A permanent certificate of occupancy was issued for the Building on October 11, 2018 (CO Number: 122396040F).

SPONSOR:

304-306 CANAL STREET LLC

PART II

EXHIBIT 1

AGREEMENT

AGREEMENT

_____

_____

Purchaser(s)

with

304-306 CANAL STREET LLC

Sponsor/Seller

Unit Number ___
The 57 Lispenard Street Condominium
57 Lispenard Street
New York, New York 10013

AGREEMENT
UNIT NO. ___
The 57 Lispenard Street Condominium
57 Lispenard Street
New York, New York 10013

(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ___ day of _____ 20__, 304-306 Canal Street LLC, having an office at c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10106 (hereinafter, "Sponsor"), and _____
having an address at _____ (hereinafter, "Purchaser").

W I T N E S S E T H:

1. Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for The 57 Lispenard Street Condominium, (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Upon and subject to the terms and conditions set forth herein, Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, as option to purchase condominium Unit No. ____ (the "Unit") at the Condominium (as designated in the Declaration), together with the undivided _____% interest in the Common Elements appurtenant to such Unit.

3. Purchase Price.

3.1 The purchase price for the Unit (the "Purchase Price") is $_____ payable as follows:

(a) $_____ (the "Deposit"), due upon the signing and submitting of this Agreement, receipt of which (subject to collection) is hereby acknowledged; and

(b) $_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 Payments of the Deposit and the Balance shall be made, at the direction of Sponsor, either by (i) wire transfer to Escrow Agent (with any wire transfer fees being the sole obligation of the Purchaser) or (ii) an unendorsed check representing United States currency, drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Kramer, Levin, Naftalis & Frankel LLP, as

Escrow Agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "304-306 Canal Street LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

4. Deposit.

4.1 Prior to or concurrent with execution hereof and payment by Purchaser of the Deposit, Purchaser, Sponsor and Escrow Agent will enter into the "Escrow Rider" annexed to this Agreement. The Escrow Rider must be executed by Sponsor, Purchaser and Escrow Agent.

4.2 The provisions of paragraphs 3-6 of the Escrow Rider annexed hereto are incorporated by reference.

4.3 The Bank (as such term defined in the Escrow Rider) is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held, in the sole discretion of Sponsor, either (i) through an escrow arrangement conducted through Purchaser's or Sponsor's title company, or (ii) at the offices of Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 ("Sponsor's Closing Counsel") (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set for a closing, once set, for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form

set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board and Sponsor, prepared by Sponsor and substantially in the form set forth as Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board and Sponsor shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's agreement that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to or at closing, and that Sponsor's obligations under paragraph 6.1 above have been satisfied and that any objections to title have been waived, and the Sponsor shall thereafter be released and discharged of all liability hereunder and under the Plan except as to those matters specifically provided under this Agreement or under the Plan to survive or to be performed after the closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Chicago Title Insurance Company, 711 Third Avenue, 5th Floor, New York, New York 10017; (212) 880 1200 (or such other title or abstract company designated by Sponsor; the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium). Purchaser is free to choose the title insurance company of its choice without incurring additional costs of penalties from Sponsor.

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least ten (10) days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's

attorney written notice of such defect in title at least ten (10) days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as having been requested by Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1(a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. Additionally, Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of Purchaser's delay. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs.

In addition to those costs, adjustments and other amounts described in Articles 8 and 10 of this Agreement, Purchaser shall be required to pay other closing fees and costs which are Purchaser's responsibility as described in the Section of the Plan entitled "Closing Costs and Adjustments" and otherwise. All such closing fees and costs shall be paid by Purchaser at closing by Purchaser's unendorsed, personal certified check or official bank check, in either event drawn upon a bank that is a member of The Clearing House Payment Company; or, at Sponsor's option, by wire transfer to an account designated by Sponsor. Such costs shall include, but are not limited to, the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the New York State Additional Tax pursuant to Section 1402-a of the Tax Law and the New York State Supplemental Tax pursuant to Section 1402-b of the Tax Law, each, to the extent applicable, collectively referred to herein as the, "Mansion Tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York, including, but not limited to, any New York City mansion, supplemental, or similar additional tax as may hereafter be imposed, notwithstanding the fact that this tax may by law be the primary obligation, in whole or in part, of the seller (any tax payable by either a transferor or transferee that may be imposed by New York City or New York State in addition to the New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and Mansion Tax, an "Additional Tax"). Sponsor will amend the Plan to disclose the enactment of any Additional Tax; provided, however, that Purchasers shall be required to pay such Additional Tax at closing regardless of whether the Plan amendment disclosing the same has been accepted for filing by the date of such closing. The enactment of an Additional Tax and any amendment of the Plan to provide for the inclusion thereof shall not give rise to any right of rescission or recourse of any kind. Purchasers are advised that in the event that any Additional Tax is enacted, the transfer taxes and Mansion Tax information and closing cost illustrations disclosed in the Plan, as amended, may

be inaccurate because such are based on NYS or NYC tax law as it existed prior to the enactment of such Additional Tax. Purchasers are further advised to consult with their attorney or a tax expert regarding the transfer or mansion taxes or other costs which may be payable in connection with closing of title. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 9 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

10. Transfer Tax Returns.

10.1 In accordance with the terms of the Plan, Purchaser is obligated to pay at the closing of the Unit the NYC RPTT and the NYS RETT notwithstanding that such taxes are primarily the obligation of seller. For purposes of calculating the taxes payable, NYC RPTT will include the amounts of such taxes in the consideration subject to tax. NYS RETT, Mansion Tax and Supplemental Tax will not include the amounts of NYS RETT paid by Purchaser in calculating the consideration subject to such tax.

10.2 At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. Default by Purchaser. (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8, 9 and/or 10 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) the occurrence of any Events of Default under any other Agreement between Sponsor and Purchaser, or between Sponsor and any member or members of Purchaser's immediate family or between Sponsor and any parent, affiliate or subsidiary of Purchaser; or

(iv) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of written notice of such default to cure the specified default. If the default is not cured within such thirty (30) days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement. If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations

hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

For purposes of this Agreement, the term Time being of the essence" shall mean that a failure by Purchaser to do what is required at the time specified set forth in this Agreement is a material breach of this Agreement and constitutes a default entitling Sponsor to the remedies set forth in the Plan and this Agreement.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys' fees, and shall be paid by Purchaser to Sponsor. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SPONSOR NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIATION, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgage(s), if the Purchaser: (a) obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit which may be available pursuant to Section 339-ee(2) of the New York State Condominium Act; or (b) Sponsor may require, in its sole discretion, that if Purchaser finances the purchase of the Unit with a loan secured by a mortgage (the "Purchaser Mortgage"), Purchaser shall cause the lender making such loan to accept from the Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchaser Mortgage as determined by Sponsor. Upon such assignment, the Purchaser Mortgage will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor will be solely entitled to the benefits of the mortgage tax credit, which Purchaser receives as a result of such assignment, and the Purchaser will pay to Sponsor an amount equal to such exemption. In no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser. Accordingly, at the Closing, Purchaser will pay to Sponsor an amount equal to the mortgage recording tax savings resulting from such exemption. Purchaser shall also be responsible for the payment of any costs associated with the assignment of the mortgage. Notwithstanding the foregoing, Purchaser shall not be required to pay an amount for mortgage tax in excess of that which would otherwise be due and payable on the transaction in the absence of such assignment. In the event Sponsor requires Purchaser's lender to accept an assignment of a portion of Sponsor's mortgage as aforesaid, any failure of Purchaser's lender to agree to said assignment shall not excuse Purchaser from its obligations under this Agreement, including, but not limited to, its obligation to close title to the Unit on the date set for closing in accordance with the terms of this Agreement.

14. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b)

terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of written notice of termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten (10) days after the giving of Sponsor's written notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy above to acquire title subject to such inability.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Unit Conveyed "As Is".

17.1 The Unit will be delivered in its existing "As Is" "Where Is" condition and layout in which it exists as of the date of this Agreement, subject to ordinary wear and tear, unless Sponsor and Purchaser agree otherwise in writing.

17.2 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent shall notify Purchaser that the Unit is ready for inspection. Purchaser shall have a right of access to the Unit, accompanied solely by a representative of Sponsor, solely for purposes of visually examining the Unit. Prior to the Closing Date, Sponsor's representative shall notify Purchaser that the Unit is ready for visual examination and upon receipt of the notice, Purchaser shall promptly arrange an appointment with Sponsor's representative. Failure of Purchaser to arrange such appointment prior to the Closing Date shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. For the avoidance of doubt, nothing contained herein shall be construed to mean that (i) Purchaser has any inspection rights with regard to the Unit, (ii) any home inspector, contractor or other professional is permitted to have access to the Unit prior to Closing, and (iii) Sponsor is obligated to perform any work to the Unit, including without limitation, any "punchlist" work, except as may be expressly provided otherwise under the Agreement. Sponsor shall have a right to limit the number of individuals who may accompany Purchaser in its visual examination of the Unit.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply:

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any

claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with written notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

19.3 If Purchaser is the existing tenant or occupant of the Unit, or if Purchaser is given possession of the Unit prior to closing of title, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit or its installations. If during the Purchaser's occupancy prior to closing of title, the Unit is damaged by casualty or otherwise, then Purchaser shall assume the risk of loss not covered by insurance and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts or omissions of the Purchaser or other occupants of the Unit or Purchaser's guests, invitees, agents or workers. If the Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the balance of the Purchase Price and accepting delivery of the deed.

20. No Representations. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, MODEL UNITS, selling brochures, advertisements, websites, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (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 on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any

of Purchaser's obligations hereunder by reason of any immaterial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that it shall not, prior to the closing of title hereunder, list the Unit for resale or rent with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale or rent. Any such listing of its Residential Unit or form of advertising, promotion or publicizing of the Residential Unit by a Purchaser or its agents or representatives prior to such Closing date shall be an Event of Default (as defined in the Agreement) under such Purchaser's Agreement, entitling Sponsor to remedies set forth therein. In addition, Purchaser may not and shall not advertise, list for sale or sell its Residential Unit for twelve (12) months after acquisition of the Residential Unit (i.e., the transfer of title by Sponsor to Purchaser) and Purchaser shall not, without the consent of Sponsor list for rent or lease its Residential Unit for twelve (12) months after acquisition of the Residential Unit, without the prior written consent of Sponsor, which shall be granted or denied in Sponsor's sole discretion. Any such conveyance or lease in violation of the foregoing will be voidable by Sponsor. The provisions of this paragraph shall survive the closing of title.

22. Broker. Purchaser represents to Sponsor that Selling Agent and [_____] (the "Broker") is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent [and the Broker], and Sponsor agrees to pay the commissions earned by Selling Agent and Broker pursuant to separate agreement(s). Purchaser agrees that should any claim be made against Sponsor for commissions by any broker [, other than the Selling Agent and the Broker] on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. Agreement May Not Be Assigned.

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to all remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser

which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____.

23.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, or to modify the name of Purchaser, then, if such assignment, alteration, addition, deletion or substitution, or modification, is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's Closing Counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's Closing Counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (in its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's Closing Counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1,000 made payable to "Kramer Levin Naftalis & Frankel LLP" (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of Purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Section 23.1 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's rights under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be

released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

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 Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, sexual orientation, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1 Except as may be otherwise expressly provided for in this Agreement, any notice, election, demand, consent, request or other communication under this Agreement (each of which is referred to herein as a "notice") shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, with or without return receipt requested or by Federal Express or other reputable overnight courier: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor at the address given at the beginning of this Agreement, Attn: Sponsor, with a copy sent simultaneously and in like manner to Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036, Attention: Jay A. Neveloff, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery is effected, or in the case of Federal Express or other reputable overnight courier, one (1) business day after sending for domestic addresses and three (3) business days after sending for international addresses, or in the case of mailing, three (3) business days after the date of mailing for domestic addresses and five (5) business days after the date of mailing for international addresses, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Notwithstanding anything to the contrary: (1) Sponsor's provision of notice regarding closing costs or ministerial matters, the rescheduling of closing dates or the scheduling or rescheduling of inspections may be made by facsimile or electronic mail to Purchaser's attorney; and (2) service of amendments to the Plan shall be made pursuant to the applicable regulations promulgated by the Department of Law.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's Closing Counsel as Sponsor's agent to give any notice to Purchaser under this Agreement

(including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, pandemic, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused. The foregoing notwithstanding, Sponsor may not limit any rights which Purchaser may have or be entitled to pursuant to Article 23A of the New York General Business Law, NYCRR regulations, and the Plan, except as determined in a final decision or order by a court of competent jurisdiction.

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. 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.

30. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof.

32. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. Purchaser's Representations.

33.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Sponsor, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing of title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser represents to Sponsor (and to Escrow Agent, as a third-party beneficiary of such representation) that all funds provided by or on behalf of Purchaser or disbursed in connection with this transaction shall be only to persons or entities having a known and legitimate business connection to the transaction; and that the disbursement of any or all of such funds is not in furtherance of any tax evasion or tax fraud. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Article 3 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser understand and agrees that, if Purchaser does not obtain financing and Purchaser does not otherwise have the financial resources to pay the balance of the Purchase Price (and all other expenses) due at closing, same will constitute a default under the Agreement which, if not cured as provided for hereunder, will result in Purchaser's loss of the Deposit as set forth herein. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

35. Costs of Enforcing and Defending Agreement. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. Notwithstanding the foregoing, Purchaser shall not be obligated to pay Sponsor's legal fees or disbursements in any action brought pursuant to the Plan or the Agreement unless Sponsor is the prevailing party in such action. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising, directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3 Purchaser irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in New York or the federal courts sitting in New York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that it is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5 Nothing in this Article 37 shall affect the right of Sponsor to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6 The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

37.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof, at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

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

38. Mold. Purchasers are advised that the prevention of the growth of mold in a Unit is the responsibility of each Unit Owner. Construction is not, and cannot be, designed to exclude mold spores. Whether a Unit Owner experiences mold growth depends largely on how such Unit Owner manages and maintains his/her Unit. Unit Owners will need to take actions to prevent conditions which cause the mold or mildew, and it is the responsibility of each Unit Owner to

ensure that he/she has taken the necessary precautions to prevent mold from becoming a problem in such Unit Owner's Unit. Sponsor will not be liable for and Purchaser hereby waives any claim for any actual, special, incidental or consequential damages based on any legal theory whatsoever, including, but not limited to, strict liability, breach of express or implied warranty, negligence or any other legal theory with respect to the presence and/or existence of molds, mildew and/or microscopic spores unless caused by the gross negligence or willful misconduct of Sponsor. The provisions of this Article shall survive closing of title or the termination of this Agreement.

39. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

40. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein," "hereof" or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

41. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

42. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

43. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

44. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature or other electronically transmitted (e.g., PDF) signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature or other electronically transmitted signature shall provide the other party with original counterparts of the signature page promptly after delivery of the facsimile signature page or other electronically transmitted signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature or other electronically transmitted signature.

45. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

46. Section 1031 Exchange. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal

Revenue Code and that Purchaser (except as prohibited by paragraph 23 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Closing Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax deferred exchange) or cooperation on the part of Sponsor in connection with or related to said tax deferred exchange will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange, to convey any property (other than the Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

47. Lead-Based Paint Disclosure. Annexed hereto and incorporated herein as Schedule C, is the "Disclosure Information on Lead-Based Paint and/or Lead-Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation. Also incorporated herein is the Lead Paint Booklet.

48. Smoking Policy Purchaser is advised that the Building shall be operated as a smoke free building. The inhaling, exhaling, burning or carrying of any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco, including all kinds of e-cigarettes (collectively, "Smoking") shall be prohibited in the Residential Section, including within all Residential Units, on Residential Terraces appurtenant to Residential Units, and in all interior and exterior common areas of the Residential Section and the remainder of the Building (including without limitation, within the C-4 Unit, South Unit and the Limited Common Elements appurtenant thereto). Outside of the Building entrances, smoking shall only be permitted within designated smoking areas located at least 25 feet from such entries, outdoor air intakes and operable windows; appropriate signage may be installed and maintained at all entrances to Building to indicate the aforementioned no-smoking policy. Any violation of this policy by an occupant of a Residential Unit, including any violation by a guest thereof, shall be subject to such remedies and the imposition of such costs as are available to the Boards under the Condominium Documents, including, without limitation, such fines and penalties as the Boards may deem appropriate. The initial fine for a violation of the smoking policy shall be set at $250.00 and shall be subject to increase with further violations in the sole discretion of the Boards. The different remedies for violation of the smoking policy shall be cumulative and are not mutually exclusive.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE(S) FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

304-306 Canal Street LLC

By: _____
Name:
Title:

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By: _____
Name:
Title:
Social Sec. Number
or Federal Tax ID:_____

Purchaser hereby acknowledges receipt at least three (3) business days prior to the date of this Agreement of a copy of the Offering Plan and all amendments thereto filed to date.

_____
_____

For purposes of this Agreement, it is acknowledged and agreed that the undersigned is the controlling individual of Purchaser and shall remain personally liable for Purchaser's obligations under this Agreement, including, without limitation, those under Article 22 and Article 35.

_____

SCHEDULE A

PERMITTED ENCUMBRANCES

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

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

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

4. Consents by Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Property.

6. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

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

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

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

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

to require the removal of any such projections, and variations between record lines of the Property and retaining walls and the like, if any.

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

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

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

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

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

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

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

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

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

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

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

(a) Party wall agreements recorded in Liber 814, page 85 and in Liber 831, page 188.

(b) Landmark historic district notice recorded in the office of the register of the City of New York on 4/12/1993 in Reel 1962, page 250.

22. All other covenants, restrictions and matters of record.

ESCROW RIDER

To Agreement dated: _____ __, 202_
Covering Unit(s):
Sponsor: 304-306 Canal Street LLC
Purchaser(s):
Escrow Agent: Kramer Levin Naftalis & Frankel LLP

This rider ("Escrow Rider") to the captioned Agreement shall constitute a written agreement among Sponsor, Purchaser and Escrow Agent with respect to the subject matter hereof. Capitalized terms used but not defined herein shall have the meanings ascribed thereto as set forth in the captioned Agreement and/or the Offering Plan, as applicable.

1. The law firm of Kramer Levin Naftalis & Frankel LLP, with an address at 1177 Avenue of the Americas, New York, New York 10036, telephone number 212-715-9100, shall serve as escrow agent for Sponsor and Purchaser under the captioned Agreement and shall also serve as legal counsel to Sponsor (referred to hereinafter as "Escrow Agent" or "Kramer Levin"). Escrow Agent has designated the following attorneys to serve as signatories: Jay A. Neveloff, Jonathan H. Canter, James P. Godman and Tzvi Rokeach. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

2. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

3. The Escrow Agent has established the escrow account at [Citibank N.A., located at 153 East 53rd Street, New York, New York] (the "Bank"), a bank authorized to do business in the State of New York. The name of the Escrow Account will be "The 57 Lispenard Street Condominium Attorney Escrow Account" or similar name (the "Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit (the FDIC limit in effect as of the filing date hereof). Any deposit in excess of $250,000 (or the FDIC limit in effect from time to time) will not be insured. Purchasers are also advised that if a Purchaser has any additional accounts at the Bank (as defined herein), the funds in said accounts will be added together with the Deposit held in escrow and the aggregate of all the funds held by the Bank will only be insured up to the $250,000 FDIC maximum coverage.

4. All Deposits received from Purchaser shall be made by unendorsed check drawn only on a member bank of the New York Clearing House Association made payable to "Kramer Levin Naftalis & Frankel LLP, as escrow agent." At Sponsor's option, Sponsor may require that the Deposit and the Balance be made by Purchaser by wire transfer to an account designated by Sponsor (with any wire transfer fees being the sole obligation of the Purchaser).

5. The interest rate for all Deposits made into the Escrow Account shall be the prevailing rate for such accounts, which is fixed by the Bank (as defined above) and which will vary from time to time. As of [_____], such rate was [____% for Deposits of $_____ and above]. The actual

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

6. Within five (5) business days after the Agreement, countersigned by Sponsor, has been "tendered" (as defined below) to Escrow Agent along with the Deposit, Escrow Agent shall sign the Agreement and place the Deposit into the Escrow Account. Escrow Agent shall notify the Purchaser and Sponsor that such funds have been placed in the Bank by providing written notice within ten (10) days of such deposit by Escrow Agent. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of a written agreement between Purchaser and Sponsor. As used in this Section of the Plan, "tender" or "tendered" means the date delivered by hand or five (5) business days after being sent by mail or courier. If any Deposit check is received by Sponsor or Selling Agent, it will be delivered promptly to Escrow Agent in order that the notice confirming such Deposit may timely be sent to Purchaser.

7. Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit and execution of the Agreement by Sponsor, Purchaser and Escrow Agent, then Purchaser may cancel the Agreement within ninety (90) days after tender of the Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

9. Except to the extent expressly set forth in the Plan, under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after "consummation of the Plan" , as evidenced by the acceptance of an amendment following the First Closing by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-e(2-b) and 352-h.

10. The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

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

12. Escrow Agent shall maintain the Escrow Account under its direct supervision and control.

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

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

15. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

16. Sponsor agrees that it shall not interfere with Escrow Agent's performance of any fiduciary duties and statutory obligations as set forth in GBL §§ 352-(e)(2-b) and 352-(h) and the New York State Department of Law's regulations.

17. Sponsor shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from Purchaser and deliver such form to Escrow Agent together with the Deposit and this Agreement.

18. Prior to release of the Deposit, Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance. Notwithstanding the foregoing, to the extent the Deposit is released *to Sponsor* in accordance with the terms of this Escrow Rider, Escrow Agent may disburse payment of Sponsor's legal fees from the Deposit.

19. Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of Escrow Agent's responsibilities arising in connection with the Agreement or this Escrow Rider or the performance or non-performance of Escrow Agent's duties under the Agreement, this Escrow Rider or the Plan, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the obligations set forth in the Agreement or this Escrow Rider, or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

20. Notwithstanding anything else in this Agreement, since Kramer Levin is legal counsel to Sponsor, and that attorney-client relationship has been disclosed to Purchaser, Purchaser agrees that Kramer Levin may represent and continue to represent Sponsor as its legal counsel, including but not limited to in any dispute between Sponsor and Purchaser, and waives any potential conflict that may exist by reason of Kramer Levin's designation as Escrow Agent. Such agreement by Purchaser in no way affects the legal and contractual obligations of Escrow Agent pursuant to this Agreement or governing law, with respect to the maintenance or release of the Deposit. Purchaser further acknowledges and agrees that any privileges or protections that result from the disclosed

attorney-client relationship between Kramer Levin and Sponsor, including but not limited to the attorney-client privilege and work product protection, are expressly preserved notwithstanding Kramer Levin's additional role as Escrow Agent. Purchaser represents and covenants that it will not seek to discover or obtain communications or information subject to any such privilege or protection, in the event of a dispute or otherwise, on the ground of Kramer Levin's role as Escrow Agent or its obligations to Purchaser with respect to the Deposit hereunder.

[NO FURTHER TEXT ON THIS PAGE; SIGNATURE PAGE FOLLOWS]

SPONSOR:

304-306 Canal Street LLC

By:_____
Name:
Title:

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

PURCHASER(s):

By:_____
Name:
Title:

Social Sec. Number
or Federal Tax ID:_____

ESCROW AGENT:

KRAMER, LEVIN, NAFTALIS & FRANKEL LLP

By:_____
Name:
Title: Partner

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller'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).

_____

(ii) __X__ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) __X__ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Visual Assessment Report- Copy Included in Offering Plan

(ii) _____ Seller has no reports or records 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 *Protect Your Family from Lead in Your Home.*

(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.

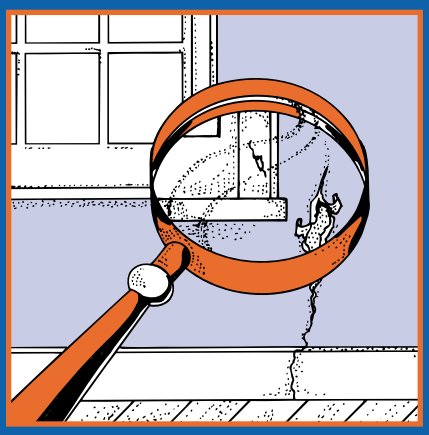
Agent's Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification 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.

Seller	Date	Seller	Date
Purchaser	Date	Purchaser	Date
Agent	Date	Agent	Date



Protect Your Family From Lead In Your Home

United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
September 2001

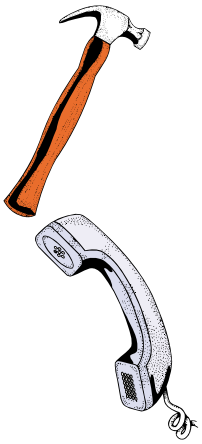
Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:

LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure form about lead-based paint.

SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure form about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS have to give you this pamphlet before starting work.

IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Center at **1-800-424-LEAD (424-5323)**.

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

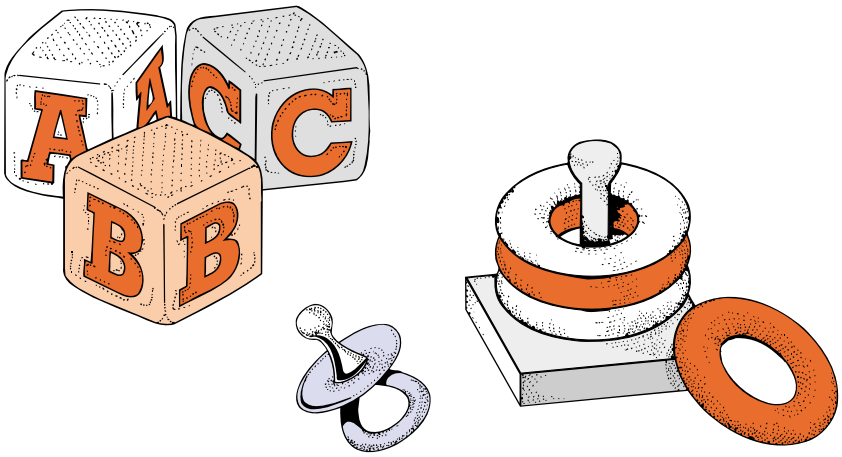
Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children than adults because:

- Children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



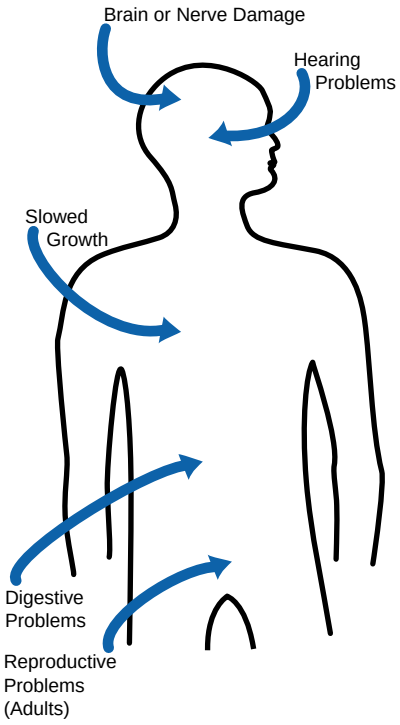
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead in one of two ways, or both:

- A paint **inspection** tells you the lead content of every different type of painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Hire a trained, certified professional who will use a range of reliable methods when checking your home, such as:

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

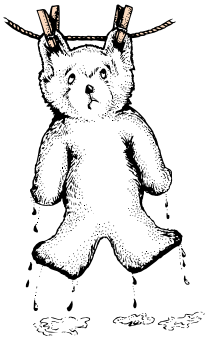
There are standards in place to ensure the work is done safely, reliably, and effectively. Contact your local lead poisoning prevention program for more information, or call **1-800-424-LEAD** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**

- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.

In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your local agency (see page 11) for help with locating certified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

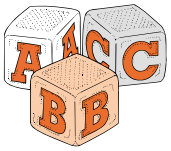
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

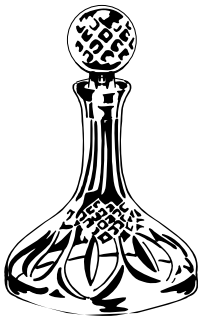
If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

Other Sources of Lead

While paint, dust, and soil are the most common lead hazards, other lead sources also exist.





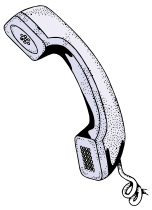
- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** and ask for the National Lead Information Center at **1-800-424-LEAD.**

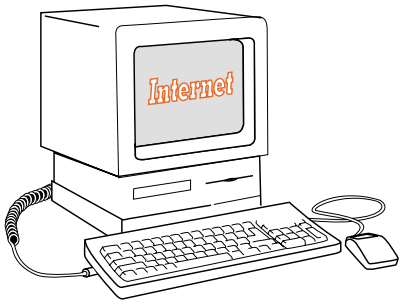


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's website at: **www.cpsc.gov.**



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

EXHIBIT 1A

FORM OF REQUEST FOR TAXPAYER IDENTIFICATION NUMBER (W-9)

Form **W-9**
(Rev. November 2017)
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 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee[1] The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov.* You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint.* You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

EXHIBIT 1B

FORM OF CERTIFICATE OF FOREIGN STATUS (W-8BEN)

Form **W-8BEN**

(Rev. July 2017)

Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals)

► **For use by individuals. Entities must use Form W-8BEN-E.**
► **Go to *www.irs.gov/FormW8BEN* for instructions and the latest information.**
► **Give this form to the withholding agent or payer. Do not send to the IRS.**

OMB No. 1545-1621

Do NOT use this form if:	**Instead, use Form:**
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W-8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• You are a person acting as an intermediary	W-8IMY

Note: If you are resident in a FATCA partner jurisdiction (i.e., a Model 1 IGA jurisdiction with reciprocity), certain tax account information may be provided to your jurisdiction of residence.

Part I Identification of Beneficial Owner (see instructions)

1	Name of individual who is the beneficial owner	**2**	Country of citizenship
3	Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**		
	City or town, state or province. Include postal code where appropriate.		Country
4	Mailing address (if different from above)		
	City or town, state or province. Include postal code where appropriate.		Country
5	U.S. taxpayer identification number (SSN or ITIN), if required (see instructions)	**6**	Foreign tax identifying number (see instructions)
7	Reference number(s) (see instructions)	**8**	Date of birth (MM-DD-YYYY) (see instructions)

Part II Claim of Tax Treaty Benefits (for chapter 3 purposes only) (see instructions)

9 I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article and paragraph _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding on (specify type of income):

_____.

Explain the additional conditions in the Article and paragraph the beneficial owner meets to be eligible for the rate of withholding: _____

_____

Part III Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself for chapter 4 purposes,
- The person named on line 1 of this form is not a U.S. person,
- The income to which this form relates is:

  (a) not effectively connected with the conduct of a trade or business in the United States,

  (b) effectively connected but is not subject to tax under an applicable income tax treaty, or

  (c) the partner's share of a partnership's effectively connected income,
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. **I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.**

Sign Here ►

_____ _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner) Date (MM-DD-YYYY)

_____ _____
Print name of signer Capacity in which acting (if form is not signed by beneficial owner)

EXHIBIT 2

POWER OF ATTORNEY

UNIT OWNER
POWER OF ATTORNEY

_____

to

THE CONDOMINIUM BOARD OF
57 LISPENARD STREET CONDOMINIUM

and

304-306 CANAL STREET LLC

57 LISPENARD STREET CONDOMINIUM
57 Lispenard Street
New York, New York 10013
Unit No. _____

County:	New York
Block:	_____
Lot:	____

Record and Return to:

_____
_____
_____
_____

UNIT OWNER
POWER OF ATTORNEY

All terms used in this Unit Owner Power of Attorney that are used in that certain Declaration, dated as of _____, 20__, by 304-306 Canal Street LLC ("**Declarant**" or "**Sponsor**"), pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as The 57 Lispenard Street Condominium, 57 Lispenard Street, New York, New York 10013 (hereinafter called the "**Condominium**"), which Declaration was recorded in the New York County office of the City Register's Office, Land Records Division, NYC Department of Finance (hereinafter called the "**Register's Office**") on _____, 20__, as CRFN _____ (as the same may have been amended, hereinafter called the "**Declaration**"), shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration.

The undersigned: _____, the owner of the Unit (hereinafter called the "**Unit**") known as Unit No. __ at the Condominium, said Unit(s) being so designated and described in the Declaration and also designated as Tax Lot __ in Block ____ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by _____ of [_____] on _____, 20__, and filed with the Real Property Assessment Bureau of the City of New York on _____, 20__, as Condominium Plan No. _____ and also filed in the Register's Office on _____, 20__, as CRFN _____, [does/do] hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute:

A. the board of managers of the Condominium (the "**Board**"), jointly true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board, or in the name of their designee (corporate or otherwise), but subject in all respects to the provisions of the Declaration and the By-Laws (collectively, the "**Condominium Documents**"), then in effect, to:

(a) subject to Article 8.2 of the By-Laws, to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, in connection with the enforcement of the Board's lien for unpaid Common Charges; (d) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased

by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (e) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact; and

B. 304-306 Canal Street LLC (in its capacity as a Declarant and Sponsor): true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution in the name of its designee (corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents, then in effect, to amend the Declaration and to effectuate the rights granted to Sponsor under the Condominium Documents even after no Unsold Residential Units remain, including, but no limited to,

to amend this Declaration and to effectuate the rights granted to Sponsor or the Commercial Unit Owner under this Declaration, the By-Laws and the Offering Plan. The foregoing shall include, but not be limited to, a power of attorney in favor of Sponsor, coupled with an interest with power of substitution in the name of its designee (corporate or otherwise), to execute amendments to the Condominium Documents or acquire any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements or, including in order to obtain a permanent certificate of occupancy, or, if applicable, to obtain an amended certificate of occupancy therefor or for the Building or any portion thereof, or any of said documents when required (i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Sponsor in accordance with this Declaration; or (ii) by: (1) a Permitted Mortgagee designated by Sponsor to make a mortgage loan secured by a mortgage on any Unsold Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) any title insurance company selected by Sponsor to insure title to any Unsold Unit; and to consent on behalf of each Unit Owner and Board and all mortgagees, and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Commercial Unit Owner, or its successors or assigns, all or any portion of the Development Rights. For the avoidance of doubt, Sponsor's rights hereunder shall continue notwithstanding that no Unsold Residential Units remain.

C. the Commercial Unit Owner, as its true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution in the name of its designee

(corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents, then in effect, to execute an amendment to any of the Condominium Documents and to consent on behalf of such Unit Owner, other Unit Owners and Board and all mortgagees, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Unit is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from the Commercial Unit Owner, or its successors, designees or assigns, all or any portion of the Development Rights described in the Declaration.

This Unit Owner Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned (has)/(have) executed this Residential Unit Owner Power of Attorney as of the ____ day of _____, 20__.

_____

_____

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 on behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the City of _____, ounty of _____ and State of _____.

_____
Notary Public

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 on behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the City of _____, County of _____ and State of _____.

_____
Notary Public

EXHIBIT 3

FORM OF UNIT DEED

UNIT DEED

304-306 CANAL STREET LLC

TO

_____

The 57 Lispenard Street Condominium
57 Lispenard Street
New York, New York 10013
Unit _____

County: New York
Block: _____
Lot: _____

Record and Return to:
_____
_____
_____
_____

UNIT DEED

THIS INDENTURE is made the ___ day of _____, 20__, by and between **304-306 Canal Street LLC**, having an office at c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019 (hereinafter called "**Grantor**"), and

_____

_____

having an address at _____ (hereinafter called "**Grantee**").

W I T N E S S E T H:

That Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto Grantee, and the heirs or successors and assigns of Grantee, forever:

The Unit (hereinafter called the "**Unit**") in the building (hereinafter called the "**Building**") known as The 57 Lispenard Street Condominium and by the street address 57 Lispenard Street, New York, New York 10013, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Unit ____ in that certain declaration, dated as of _____, 20__ , made by 304-306 Canal Street LLC (in such capacity, "**Declarant**") pursuant to Article 9-B of the Real Property Law of the State of New York (hereinafter called the "**Condominium Act**") establishing condominium ownership of the Building and the land (hereinafter called the "**Land**") upon which the Building is situate (which Land is more particularly described in Schedule A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County office of the City Register's Office, Land Records Division, NYC Department of Finance (the **"City Register's Office"**) on _____, 20__, as CRFN _____ (which declaration, and any amendments thereto, are hereinafter collectively called the "**Declaration**"). The Unit is also designated as Tax Lot ___ in Block _____ of the Borough of Manhattan on the Tax Map of the Tax Map Unit, Land Records Division, NYC Department of Finance and on the Floor Plans of the Building certified by _____ on _____, 20__, and filed with the Tax Map Unit, Land Records Division, NYC Department of Finance on _____, 20__, as Condominium Plan No. ___ and also filed in the City Register's Office on _____, 20__, CRFN _____;

together with an undivided ___ % interest in the Common Elements (as such term is defined in the Declaration) of 57 Lispenard Street Condominium;

together with the appurtenances and all the estate and rights of Grantor in and to the Unit;

together with, and subject to, all of the rights, obligations, easements, restrictions and other provisions set forth in the Declaration, the Condominium By-Laws of 57 Lispenard Street Condominium, as each of the same may be amended from time to time (said Condominium By-Laws and any amendments thereto are hereinafter called the "**Condominium By-Laws**" or "**By-**

Laws"), including, without limitation, the restrictions and other provisions with respect to the permitted uses of the Unit; all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; subject also to such other liens, agreements, covenants, easements, restrictions, consents, other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively called the "**Property**").

TO HAVE AND TO HOLD the same unto Grantee, and the heirs or successors and assigns of Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration or 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 or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 18 of the Declaration shall control.

Except as otherwise specifically permitted by the Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor covenants that the Unit is free and clear of monetary liens and that Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, in each case except as set forth in the Offering Plan and the Purchase Agreement (each as defined in the Condominium By-Laws), the Declaration, and the Condominium By-Laws. This covenant is for the personal benefit of Grantee only and cannot be assigned to, exercised by, or inure to the benefit of any other person or entity, including, without limitation, any insurer of Grantee's title or successor to Grantee's interest.

In the event of a claimed breach of any covenant of Grantor contained in the preceding paragraph, Grantee shall first seek recovery against Grantee's title insurer before proceeding against Grantor for any breach of such covenants, it being agreed that the liability of Grantor shall be limited to the extent only that any loss or damage shall not be covered by such title insurance. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York State Land Title Association, Inc. in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that Grantor will receive the consideration for this conveyance, and will hold the right to receive such consideration, as a trust fund for the purpose of paying the cost of the improvements at the Property required to be made by Grantor and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

Grantee hereby accepts and ratifies the provisions of the Declaration, the Condominium By-Laws (and any Rules and Regulations adopted under the Condominium By-Laws) and agrees to comply with all the terms and provisions thereof, including, without limitation, all the terms and provisions with respect to the permitted uses of the Unit.

This conveyance is made in the regular course of business actually conducted by Grantor. The Unit is not subject to a credit line mortgage.

The term "**Grantee**" shall be read as "**Grantees**" whenever the sense of this indenture so requires.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, Grantor and Grantee have duly executed this indenture as of the day and year first above written.

GRANTOR:
304-306 CANAL STREET LLC

By:_____
Name:
Title:

GRANTEE:

_____
(Purchaser's Signature)

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the __ day of _____ in the year _____ before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF THE LAND

EXHIBIT 4

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

DESCRIPTION OF PROPERTY
AND
SPECIFICATIONS OF BUILDING CONDITION

05/07/24

Prepared by:
ADG ARCHITECTURE AND DESIGN, P.C.
13 West 36th Street, New York, NY10018

A. LOCATION AND USE OF PROPERTY

(1) Addresses: 57 Lispenard Street, New York, NY 10013. (aka 304 Canal Street)

(2) The block number is 210. The lot number is 18.

(3) The property lies in a district C6-2A/ TMU (Tribeca Mixed Use) district as shown on map 12a of the zoning Resolution of the City of New York.

(4) The lot has a maximum floor area ratio (FAR) of 5 for the residential portion.

(5) The use is for residential, multiple dwelling (Use Group 2) and commercial (Use Group 6) as permitted as of right in C6-2A/TMU district and, to the best of my knowledge, complies with all applicable zoning and use requirements .

(6) The Building has Landmarks designation (as more particularly described in Paragraph H herein).

(7) The Building is not Quality Housing. Pursuant to Article I, chapter 5, Quality Housing provisions shall not apply to dwelling units of non-residential developments of Article II (Residence District Regulations).

(8) There is an existing sidewalk vault to remain. The structural integrity of the existing sidewalk vault is in good condition. Under chapter 3 of the New York City Administrative Code, the responsibility to maintain the sidewalk vaults and the sidewalk slabs and keep them in a safe condition is the responsibility of the Condominium Board, pursuant to the terms of the Condominium By-Laws.

(9) The Commercial Unit is not presently being offered for sale under the terms of the Offering Plan. In the case that the Commerical Unit is offered for sale in the future pursuant to the terms of the Plan, Sponsor will cause this report to be updated to reflect certain disclosures pertaining to utilities and systems serving the Commercial Unit.

B. STATUS OF CONSTRUCTION

(1) The Building is an existing Building that was originally constructed between 1860-1861, and had a major alteration, that was substantially completed in 2018. In addition, cosmetic interior renovations, such as refinishing of flooring, painting and installation of virtual doorman system, were completed in 2024. The foregoing notwithstanding, and as more particularly described in Part I of the Plan, the Units and Common Elements will be delivered in their existing "as-is" and "where is" condition, without any construction, renovations, improvements, repairs, or replacements intended to be performed by Sponsor. As more particularly described in the Plan, each Purchaser shall accept its Unit (and all appliances, facilities, fixtures, and improvements therein) in its "as is" and "where is" condition (typical wear and tear excepted) as of the date that Purchaser enters into an agreement for the purchase of a Unit.

(2) The building is constructed as a class II-B unprotected non-combustible structure. The exterior walls have a fire resistive rating of 2-hour for non-bearing, 2-hours for non-bearing and 3-1/3 hour protection of openings is required and 2-hours for bearing walls. The floors have a fire resistive rating of 1 hour. Shafts and stairway enclosures have a fire resistive rating of 2-hours.

(3) A final certificate of occupancy for 304 Canal Street was issued on 10/11/2018 under CO Number 122396040F.

(4) The Building was constructed under Department of Buildings application 122396040.

(5) The Building was constructed under the 1968 NYC Building Code.

(6) There are no open applications with the Department of Buildings.

(7) References herein to the condition of the Property and utilities, facilities, systems and the like described herein are based on the condition of same as of the date of this report. References herein to remaining useful life of portions of the Property and utilities, facilities, systems and the like are all approximations (whether expressly stated as such, or not, herein) and have been provided based on information available to Sponsor and the Sponsor's architect and professional consultants as of the date hereof. Matters beyond the control of Sponsor may contribute to decreased useful life expectancy than as provided for herein. For the avoidance of all doubt, Sponsor makes no representations or warranties in regards to the foregoing, or otherwise, expect as may be expressly set forth in Part I of the Plan, if any.

C. <u>SITE</u>

(1) The site is approximately 2,293 square feet. The site measures approximately 37'-6" by 68'-2".

(2) The site contains one (1) Building initillay consisting of one (1) Commercial Unit and four(4) Residential Units and Common Elements.

The Cellar contains: Portion of commercial unit, electrical room, trash room, pump room, elevator control room, gas booster room and gas meter room.

The Ground floor contains: Residential lobby, Commercial Unit, Mail Area and Elevator Vestibule.

The Second floor contains: One Residential Unit.

The Third floor contains: One Residential Unit.

The Fourth floor contains: One Residential Unit.

The Fifth floor contains: One Residential Unit.

(3) There are no streets owned or maintained by the project. Canal Street and Lispenard Street are public streets owned by the City of New York and maintained by the New York City Department of Transportation. Maintenance costs for sidewalks are Common Expenses allocated amongst the Unit Owners in accordance with the provisions of the By-Laws.

(i) The condition of the existing street, sidewalk and curb are in good condition. There is an existing sidewalk vault which is to remain and shall, notwithstanding the fact that same is outside of the Property, same shall be maintained by the Condominium as if were a General Common Element of the Condominium. No Unit Owner is entitled to use of the vault. There are no drives or ramps. As of the date hereof, there are no known repairs required to the sidewalks or curbs.

(ii) Catch basins, drainage (none).

(iii) No change to the street lighting is proposed. street lighting is existing and maintained by NYC Department of Highway Traffic and Lighting.

(iv) To the best of my knowledge, these street installations are in conformity with local Building codes (including without limitation applicable NYCDOT requirements).

(4) The Building is equipped with a handicap-accessible ramp, located within the property line at the rear of the Building on Lispenard Street. The ramp is steel construction, in good condition and complies with applicable local Building codes.

(5) For information relating to easements or other encumbrances against the Property, Purchasers should make reference to the Schedule A (Permitted Encumbrances) annexed to the form of purchase agreement that is set forth in Part II of the Plan.

D. <u>UTILITIES SITE</u>

See paragraph J-O herein for further details pertaining the below described utilities.

(i) Electricity – Currently provided by Con Edison (individully metered for each Residential Unit, Common Elements and the Commerical Unit; and paid directly to the utility service provider by the Unit Owner or the Condominium Board.)

(ii) Gas – Currently provided by Con Edison, the Common Elements and the Commerical Unit are metered separately. There is (1) Common Element direct meter that includes natural gas for the DOAS unit that supplies the outside air to the Residential Units and gas for cooking within the Residential Units, and (1) submeter for the Commercial Unit.

(iii) Water and Sewer - Currently provided by the City of New York and paid as a Common Expense to the Board in accordance with the terms of the By-Laws.

(iv) Telephone - Should a Unit Owner wish to have telephone or internet service, they will be required to procure and pay telephone and internet charges directly to the telephone or internet company providing such services. The telephone and internet charges with respect to the Common Elements, if any, will be borne by the Unit Owners as a Common Expense in accordance with the By-Laws.

(v) Cable Television - All Units will be able to acquire cable television services from one or more third party providers supported by the Building. Each Unit Owner shall be responsible to procure and pay for charges associated with their cable television services, including subscription charges and any additional jack and wiring fees directly to the provider.

(vi) Heating and Cooling – see section (K) and (M)

Gas, electricity are individually metered for each Unit as noted above.

E. SUB-SOIL CONDITIONS

(1) There is no evidence of uneven foundation movement or settling that has occurred (cracking, mortar joint decay, etc.) According to historic topographic map, an ancient swamp once occupied Canal Street. It indicates that swamp did not encroach within the site. Limited available geotechnical data suggests that the site may by underlain by about 10-ft of uncontrolled fill, underlain by fine to coarse granular glacial deposits with bedrock at about 80-ft below grade. Groundwater was expected about 10-ft below sidewalk level. The test pits confirmed the granular glacial deposits below fine and groundwater was not encountered.

(2) There is no evidence of moisture, seepage, or ground water infiltration.

(3) As of the Filing Date of the Plan, the Building is located in Zone X (shaded) on FEMA flood map 3604970182F, which (according NYC Flood Hazard Mapper, a website created and controlled by the New York City Department of City Planning and available at https://www1.nyc.gov/site/planning/data-maps/flood-hazard-mapper.page) has a 0.2% annual chance of flood hazard. Pursuant to the NYC website, the X zone is a moderate risk flood zone and property owners in X Zone are not required to purchase flood insurance unless they have received federal disaster assistance in the past. Sponsor makes no representations or guarantees that FEMA or any governmental agency will not change the flood maps impacting the Building at any point in the future. The Building has not had any flood in the past 10 years.

(4) The Building is located in environmental restrictions site for Hazmat, Noise and Air. An "E" designation for hazardous materials and Window/Wall Noise Attenuation (E-257) was placed on the property by the NYC Department of City Planning as part of the North Tribeca Rezoning action (CEQR #10 DCP039M).

(i) Hazardous Marerials: As part of the site remediation, and in accordance with the HMRAP, the following actions were taken:

a. Performed air monitoring for volatile organic compounds and particulates in the work area during excavation activities.

b. Established Restricted Residential Soil Cleanup Objectives (SCOs) for the area of the new elevator pit.
c. Excavated and removed soil/fill exceeding SCOs to a depth of nearly 8 feet below slab for the elevator pit.
d. Constructed and/or maintained an engineered composite cover consisting of existing building slab to prevent human exposure to residual soil/fill remaining under the Site.
e. Installed a vapor barrier system beneath the slab and behind foundation walls at a 10 foot by 8 foot area for the elevator pit.
f. Installed and operated an active sub-slab depressurization system across the entire basement of the building.
g. Transported for off-Site disposal of all soil/fill material at permitted facilities in accordance with applicable laws and regulations for handling, transport, and disposal, and this plan.
h. Screened excavated soil/fill during intrusive work for indications of contamination by visual means, odor, and monitoring with a PID.
i. Conducted Site mobilization involving Site security setup, equipment mobilization, utility mark outs and marking and staking excavation areas.
j. Performed all activities required for the remedial action, including permitting requirements and pretreatment requirements, in compliance with applicable laws and regulations.
k. Submitted RCR that describes the remedial activities, certifies that the remedial requirements have been achieved, defines the Site boundaries, describes any Engineering Controls to be implemented at the Site, and explains any changes from the RAP.
l. Submitted a Site Management Plan (SMP) for long-term management of residual soil, including plans for operation, maintenance, inspection and certification of the performance of Engineering Controls and Institutional Controls. Inspections will be performed annually. Inspection and Certification reports will be submitted by July 30, 2018 (for the reporting period calendar year 2018-2019), July 30, 2019 (for the reporting period calendar years 2019-2020) and every year thereafter (for the reporting period consisting of the same number prior calendar years). Inspection and Certification Reports will cover all calendar years since the prior reporting period.
    i. These reports will be available at sales office to all purchasers for review prior to contract signing.

(ii) For future proposed work, in the case that the sub slab membrane would be penetrated or otherwise disturbed it would likely impact the integrity of the membrane and require repairs and restorations. For properties that are subject to E-Designations, the Department of Buildings requires a Notice of No Objection (NNO) from OER in order to approve all construction and work applications and issue work permits. OER reserves 30 days for review of NNO requests, however, in Sponsor's experience (but Sponsor makes no representations or guarantees regarding the same) applications are typically reviewed sooner. OER requires an administrative fee payment for its review and issuance of an NNO, currently in the amount of approximately $425.00. Sponsor has requested and OER has issued NNOs in connection with all DOB construction applications it has filed for the

project. Additionally, as noted above, OER issued a Notice of Satisfaction in respect of certain remedial action performed by Sponsor. Copies of NNOs and the Notice of Satisfaction issued to Sponsor are available upon request for review by Purchasers.

ii. Noise - In order to meet the requirements of the E-Designation, the following window/wall attenuation(s) are achieved at the locations described below: Existing windows manufactured by Zeluck, Inc. with insulated glazing made of 5/16"" exterior laminated glass, ½"" air space, 1/4" interior laminated glass, with an OITC of 35 on the Lispenard Street façade, and Zeluck, Inc. windows with insulated glazing made of 5/16" exterior laminated glass, 1/2" air space, 1/4" interior laminated glass, with an OITC of 35 on Canal Street. The Commercial Unit has Oldcastle Model: RAL-TL85-235 with ¼" laminated, ½" air space and ¼" interior windows on the Canal Streed façade with an OITC of 28 and Oldcastle Model: RAL-TL85-294 with ¼" laminated, ½" air space and ¼" interior glass on the Lispenard Street façade with and OITC of 31.

(i) To meet Alternate Means of Ventilation (AMV) requirement, a dedicated HVAC system providing 100% tempered fresh aire to all apartment living spaces and residential common spaces including lobby is provided. This rooftop unit provides 3,000 CFM (per specification) of 100% fresh air, which is divided between the units and lobby.

(5) A complete Site Management Plan report will be available at sales office to all purchasers for review prior to contract signing.

(6) The Sponsor will provide all existing Remediation Action Plans (RAP) and Site Management Plan (SMP) documents and reports related to the environmental easement to the condominium management upon transfer of control.

(7) A Notice of Satisfaction was issued on 08/08/2017 under OER Project #15EH-N431M.

Link to NYC OER's website: https://www1.nyc.gov/account/login.htm?spName=a002-epic.nyc.gov-SAML&samlContext=us1_8176884_3af840f3-b8b0-4978-ac2c-efa94578313e

F. LANDSCAPE AND ENCLOSURES

(1) Grass Cover: None.
(2) Plantings: None.
(3) Trees: None.
(4) Fencing: None.
(5) Gates: None.
(6) Garden Walls: None.
(7) Retaining Walls: None.
(8) Display Pools and Fountains: None.

G. BUILDING SIZE

(1) Total Height: 75'-3", Measured from the ground floor to the top of the roof floor structure.
(2) Crawl Spaces: None.

(3) Number of Sub-Cellars and Cellars: There is one (1) cellar in the Building.
(4) Number of Floors: Five (5)
(5) Equipment rooms: Four (4) for the gas meters, gas booster, electrical room, and water service located in the Cellar. As of the date hereof, there are no known repairs required. There are VFRs for air conditioning and heating located on the roof. See section K and M of this report.
(6) Parapet height: 42” above roof.

H. STRUCTURAL SYSTEM

Foundation Walls: Existing stacked stone footing and brick masonry foundation walls. The existing footings and foundation walls are in good condition. The Building structure shows no signs of structural failure and no need for immediate structural bracing and shoring work. No repairs are required for the foundation walls. A min. of 20-mil underlying waterproofing membrane used to restore slab work.

Floor Assembly: Floors assembly includes: 7” wide 3/4"engineered wood floor over a 1/8” Maxxon Acousti Mat 1 sound attenuation mat (2018). Subfloor is 1 layers of 3/4"tongue and groove Type 1 material with approximately ¾” Ardex self-leveling underlayment (thinkness may vary depending on location). The subfloor is installed over heavy timber wood joists and batt insulation exits in the joint cavity for sound attenuation. The assembly is closed with 5/8” gypsum board ceiling of the unit below. Due to the nature of the existing materials the Sound Transmission Class (STC) rating is unknown. Please refer to the Section #28 of the Special Risks section of the Offering Plan.

(1) Exterior of Building:
  (i) Walls: Existing exterior load bearing walls are constructed of brick masonry. Interior Walls: 3-5/8” metal studs with 3” batt insulation. 5/8” fire code drywall assembly. In 2015, a renovation for the exterior walls was completed to restore, repair and repaint stone and brick facades, replace wood and glass storefront and the windows were replaced. The exterior walls have a fire resistive rating of 2-hour for non-bearing, 2-hours for non-bearing and protection of openings is required and 3-hours for bearing walls. The existing R-value is unknown. The existing exterior walls are in good condition. There are currently no other required repairs to be made.

    (i) Windows: Existing windows manufactured by Zeluck, Inc. windows with insulated glazing made of 5/16” exterior laminated glass, 1/2” air space, 1/4” interior laminated glass, with an OITC of 35 on Canal Street. The Commercial Unit has Oldcastle Model: RAL-TL85-235 with ¼” laminated, ½” air space and ¼” interior windows on the Canal Streed façade with an OITC of 28 and Oldcastle Model: RAL-TL85-294 with ¼” laminated, ½” air space and ¼” interior glass on the Lispenard Street façade with and OITC of 31 The sills are wood, there are no screens provided, windows guards are integrated in the wood sash, lintels are made of precast stone. Storm windows are not provided, sash is made of wood, and interior hardware is made of brass. The existing windows were replaced in 2018 and are approximately 5 years old. There is no thermal break system present. The existing windows are visually in good condition. Existing lintels are in good condition and will remain. As of the date hereof, there are no known repairs required. There are no known remaining warranties in place on the windows.

(ii) Rear Windows: The rear windows were manufactured by Zeluck, Inc. with insulated glazing made of 5/16”" exterior laminated glass, ½”” air space, 1/4” interior laminated glass, with an OITC of 35 on the Lispenard Street façade, and the existing windows were replacd in 2018 and are approximately 5 years old. There is no thermal break system present. The existing rear windows are visually in good condition. Existing lintels are in good condition will remain. As of the date hereof, there are no known repairs required. There are no known remaining warranties in place on the windows. The sills are wood, there are no screens provided, windows guards are integrated in the wood sash, lintels are made of precast stone. Storm windows are not provided, sash is made of wood, and interior hardware is made of brass.

(iii) Lot Line Windows: There are no lot line windows in this Building.

a. Landmark Status: The Building is located in the Tribeca East Landmark District.

(2) Parapets and Copings: The existing parapets are in good condition. Existing aluminum flashing to remain. No indications of leakage, spalling, deterioration of mortar or cracking. Existing parapets will remain. As of the date hereof, there are no known repairs required.

(3) Chimneys and Caps: There are no chimneys or caps in this Building.

(4) Balconies, Decks and Terraces: There are no balconies, decks or terraces in this Building.

(5) Exterior Entrances:

a. Exterior Doors and Frames: Existing wood and glass door with metal frames with a virtual doorman system and Schlage lockset with self-closer manufactured by Grand Doors on the Lispenard Street entrance was installed in January 2024. There is no thermal break system present. The existing doors will remain and are in good condition.. Existing doors have 5 years remaining of useful life. No warranty is provided. There is no exterior lighting. There is no vestibule.

b. Exterior Steps: Existing metal diamond plate steps. Existing exterior steps will remain and are in good condition. There are no railings. As of the date hereof, there are no known repairs.

c. Ramp: Existing metal diamond plate ramp. Existing exterior ramp is good condition. As of the date hereof, there are no known repairs.

d. Railings: Existing painted metal railing. Existing railings are in good condition. As of the date hereof, there are no known repairs.

e. Mail Boxes: USPS approved mailboxes – Global Industrial Recessed Vertical 1250 Serier, 6 Door Mailbox, Anodized Aluminum; vertical recessed into wall. Existing mailboxes are in good condition. No known repairs are required.

(6) Service Entrances: There is no service entrance to the Building.

(7) Roof and Roof Structures:

a. Type of Roofs for all Areas: Existing roof components to remain.
   i. Material: The existing roof was replaced in 2018. The existing roof is approximately 5 years old. The existing roofing system consists of a 1.5 inch polyisocyanurate insulation mechanically fastened to the existing wood deck and thermoplastic polyolefin (TPO) membrane with welded seamed top-coat. Welded TPO membrane was also used to flash all wall bases, while penetrations are flashed either with welded TPO membrane or pitch pockets. Existing roof components to remain and are in good condition. The sponsor is not aware of any current required repairs. There are no remaining years remaining on the manufacturer's warranty. With industry standard on-going maintenance it is anticipated that there are approximately 12 years of remaining useful life in the roofing system but the sponsor makes no representation or warranties.
   ii. Insulation: Foil-faced 5" Thick Mineral Wool Insulation Mechanically Attached with Impaling Pins and Washers. 8" thick R-25 Foil Faced batts by Owen Corning stapled to wood joists.
   iii. Surface Finish: Existing Liquid Applied Roof Membrane Resin "ParaPro Roof Membrane" by Siplast. No known repairs are required.
   iv. Bond or Guarantee: No Bond or Guarantee provided.
   v. Flashing Materials Including Counter Flashing: Galvanized metal flashing and counterflashing. Existing to remain and no known repairs are required. Remaining life expectancy is approximately 10 years.

b. Drains:
   i. Location, material and type: Roof drains – (1) 5" cast iron roof drain and (1) 5" overflow roof drain is located towards the Lispenard Street side of the roof. (3) 3" scupper drains and wall mounted leader pipe are provided for the bulkhead to discharge spill to splash block on the existing main roof. The existing main roof is pitched to the centrally located drains. [Excellent] condition. Drainage is adequate for roof coverage. A 5" overflow roof drain is provided as a secondary system. No known repairs are required. Roofs and drains are General Common Elements of the Condominium, and, subject to and in accordance it the terms of the Condominium By-laws, are the obligation of the Condominium Board to maintain. Any costs assocated with maintenance, repairs, replacements and the like, including without limitation, as a result of leaks or otherwise, shall be borne by all Unit Owners in accordance with their respective Common Interest percentage, unless a repair is attributable to the negligence, misuse, neglect or abuse of any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner(s),

c. Skylights: There are no existing skylights.

d. Bulkheads: 16 gauge heavy duty metal studs with dura rock cement board cladding with R19 insulation and two (2) layers 5/8" fire code drywall (type x). Existing masonry bulkhead to remain. No known repairs are required.
    i. Stairs: Existing metal Pan Stair. No known repairs are required.
    ii. Elevator: The elevator does not go to this level. Existing masonry elevator bulkhead to remain.
    iii. Drain: 4" gutter and leader system at bulkhead. Drains to main roof cast iron drainage system. Good condition. Drainage is adequate for bulkhead coverage. No known repairs are required.
    iv. Metal: Existing un-painted metal stairs and railings to remain. No roof hatches exist. As of the date hereof, no known repairs are required.

e. Rooftop Facilities: The rooftop is a general common element. There are no rooftop facilities in this Building. The roof shall be unoccupied.

(8) Fire Escapes: There are existing fire escapes located e on the Lispenard Street side of the Building which are designated as General Common Elements of the Condominium, and which the Condominium Board is obligated to maintain in accordance with the terms of the Condominium Documents, in accordance with all applicable laws, including any laws or regulations that may be promulgated by the Landmarks Preservation Commission. Owners are not permitted to access, use, alter, decorate or take any actions whatsoever in respect of the fire escapes for any reason whatsoever. Purchasers are advised to refer to Part I of the Plan for further detail. The fire escapes were last pained during the 2018 renovation work and was inspected for viability, stability during April 2023. As of date hereof, there are no known repairs required.

(i) Location: Existing fire escapes are located on the Lispenard Street side of the exterior façade. The existing fire escapes are anchored and attached directly to the exterior walls
(ii) Floors covered: The existing fire escapes serve the 2nd through 5th floors.
(iii) Drop Ladder: Wrought iron metal
(iv) Type: Standard fire escape
(v) Materials: Wrought Iron Metal

(9) Yard and Courts There are no yards or courts.

(10) Interior Stairs:

a. Number of Stairs and Each Type: One (1) egress stair that serves the cellar level to the roof.
b. Enclosure: 2 Hour Fire-rated sheetrock enclosure with painted finish.
c. Stairs Construction: The egress stairs for the Building are metal stairs and are in good condition. The existing stair construction is compliant with the NYC building code.
d. Stringers: Steel
e. Treads: Steel
f. Risers: Steel

g. Guard Rails: painted metal railing
h. Balustrade: painted metal railing

(11) Interior Doors and Frames: Metal and wood doors with both metal and wood frames.
a. Unit Entrance and Interior Doors and Frames: 90 minute, fire rated, self-closing hollow metal door. Existing doors are in good condition. All units are accessed from the staircase and elevator vestibule. Doors are 36" x 96" high. Residential Unit entry doors have their own locking mechanism, but the elevator key is required to access each level and Unit. As of the date hereof, existing entry doors to remain and are in good condition.
b. Corridor Doors and Frames: 90 minute, fire rated, self-closing metal door. The existing doors are in good condition and will remain.Existing doors to remain and are in good condition. As of the date hereof, there are no known repairs required.
c. Stair Hall Doors and Frames: 90 minute, fire rated, self-closing metal door. As of the date hereof, existing doors are in good condition and will remain.
d. Roof Doors, Cellar Doors and Frames: 90 minute, fire rated, self-closing metal door. As of the date hereof doors are in good condition and will remain.

(12) Elevators: There is one existing MRL passenger elevator manufactured by Delaware Elevator Manufacturing, installed by McGlyynn Hays Elevator and maintained by Kone Inc. This existing elevator was installed in 2018 and is approximately 5 years old. The elevator serves the cellar to the fifth floor. 3,500 lbs capacity with 200 fpm travel speed. Elevator is compliant with the American National Safety Code for elevators ANSI A-17.1. The existing elevator has sliding doors and is, as of the date hereof, in good condition. The elevator serves the cellar to the fifth floor. Sponsor does not represent any warranty and the remaining life expectancy is unknown.

(13) Elevator Cabs: The existing elevator cab finishes were installed in 2018 and is approximately 4 years old. Existing elevator cab is finished with raised panels manufactured by Rimex black SS on wood core wrapped with aluminum angles, with 24"x 48" tile flooring to remain. (6)Existing recessed down lights with protective lens. All bases and railings are finished in stainless steel. The existing elevator cab remains and is in good condition. As of the date hereof, there are no known repairs required. Sponsor does not represent any warranty and the remaining life expectancy is unknown. The elevator machine room is equipped with elevator recall relay that will bring elevator to ground floor in the event of an activation of the building fire alarm. There are smoke detectors at the top of the egress stairs and the top of the hoist way that are connected to the building sprinkler panel.

I. AUXILLARY FACILITIES

(1) Laundry Rooms:
(i) Location and Number of Rooms: There is no common laundry room. Each Unit will have an electric clothes washer and a ventless electric clothes dryer – see later in report for make and model numbers. Existing laundry appliances will be replaced – see section X for make and model numbers. The new laundry appliances will be installed prior to the closing of each unit.

(ii) Room Ventilation: See section N for exhaust information.

(iii)Dryer ventilation: 10" dryer exhaust line ventilating to the roof.

(2) Refuse Disposal: Residential Unit Owner's trash and recycling is stored in the cellar in a designated trash/recycling area containing receptacles. Part-time superintendent will take trash and recycling to the curb. As more particulary described in Part I of the Plan, the elevator goes directly from the Residential Units to the Cellar level where Residential Unit Owners must dispose of their trash/recycling. The Commercial Unit Owner is responsible for directly carting its trash to the curb on specified pick up days in an orderly fashion.

(3) Bike Storage: No bike storage is provide in the Building.

(4) Mail/Package: Located on the ground floor in the residential lobby, USPS approved mailboxes – Florence Corporation USPS-STD-4C, 6 Door Mailbox, Anodized Aluminium; vertical recessed into wall. Existing mailboxes are in good condition. Virtual doorman to provide access to residential lobby. As of the date hereof, there are no known repairs required.

(i) Incinerator(s): There are no Incinerators in this Building.

(ii) Compactor(s): There are no trash compactors in this Building.

(iii) Approvals by Authority Having Jurisdiction: N/A

(iv) Pick-up Schedule: Public pick-up of the Residential Unit Owner's trash containers is currently anticipated to be three times a week and recycling is one time a week at the curbside by NYC Department of Sanitation.

(v) Virtural Doorman: Existing Virtual Doorman replaced with a new Virtual Door Guard system. Electrified locksets provided. Hardwired color video intercom wall units in each unit. Akuvox C313 intercom system that includes a CCTV system with one 8-port QVR. See Part I of the Plan for further details pertaining to the Virtual Doorman.

J. PLUMBING AND DRAINAGE

1. Water Supply

The domestic water service enters the Building at the Cellar Level. It is separately direct metered and shared between all tenants in the Building. The main Building shut off valve and curb valve is located next to the foundation wall penetration. The domestic water service, meter and backflow prevention are located in the cellar level city sidewalk vault on Lispenard st side. There is no known sub-meter at thtis time serving the retail tenant on 1st floor.

There is a 3" approved and inspected backflow preventer (Zurn Wilkins) is installed in close proximity at the utility entrance point and located at the ceiling of the cellar and is in good condition.

The existing domestic water duplex booster pumps with control panel (as manufactured by Tigerflow, Model VMS-4000-VFD) are located at the Cellar Level servicing the entire Building.

Visible main hot and cold water domestic water piping is installed was noted to have 1-1/2" minimum insulation. All domestic water piping is type "L" cooper per specifications. All water is supplied via New York City public water system.

Hot Water Heater for Non-residential Units:
1st floor retail tenant toilet room is served via separate electric hot water heater.

Hot Water Heater for Residential Units:
2-5th floors Domestic hot water is accomplished by one (1) existing electric hot water in each residential unit. (1) A.O. Smith Model DVE-80 100, 80 gallon, (3) elements 5.0 KW each, 208V-1 Phase electric water heater. Temperature control is located on each unit with an adjustable range of 120°F – 181°F , capable of maintaining a minimum of 120 °F 365 Days a year. Efficiency per IEC is 98%. Existing hot water heaters are visually observed in good condition. No known repairs are required. There are no remaining years on the warranties for these units.

There was noted to be a hose bibb with free protection type connection on the roof.

2. Fire Protection System

(i) The Building is fully sprinklered. The 6" sprinkler service enters the Building in the cellar level with the sprinkler control valve located directly at the foundation entrance. The fire water service and backflow prevention are located in the cellar level city sidewalk vault on Lispenard Street side.

(ii) There is a 6" Approved and inspected backflow prevention device located adjacent to the entrance (manufactured by Zurn Wilkins).

(iii) The service also has a 500 GPM sprinkler booster pump serving the entire Building (manufactured by Patterson). The 25 horsepower fire pump controller is located adjacent to the pump all located within the sidewalk vault.

(iv) There is one sprinkler department Siamese connection located on Lispenard Street and one on Canal Street.

(v) Each floor is served via a separate flow control valve assembly.

3. Storm and Sanitary Sewage System

(i) Sewage Piping: All sanitary and vent piping above slab is a no-hub cast iron with wide stainless -steel clamps.

(ii) (2) Sump pump was observed. One (1) is located in the cellar Lispenard Street in elevator pit and is manufactured by Stancor Model SE-50 and collects water from cellar floor drainage grates. (1) is located in the cellar in the water service room and is manufactured by Federal Model VF-2, 50 GPM, ½ hp and 208V. An Existing Duplex Booster Pumps manufactured by Federal Model VSP-6030-2, 60 GPM @ 30 PSI, 2hp, 208V on 4" high concrete pad. Both were noted to be operational with no required repairs, there are no existing warranties on these pumps.

(iii) (2) Separate combined Storm/Sewer were noted to exit the Building on Lispenard Street side. (1) 6" combined system on the west and (1) 5" on the east side. The entire Building are tied into these services via risers through the Building.

(iv) The entire roof pitch from the Canal Street side and discharged to (2) 5" roof drains located on the West side of the roof on Lispenard Street in a trough set-up.

K. HEATING

Heating is accomplished via Variable Frequency Refrigerant Flow (VFR) type split system heat recovery air-cooled units. Each system contains a single dedicated roof mounted heat recovery air cooled condensing unit, with refrigerant piping connected to a heat recovery selector box located in each condo above the ceiling and (2) remote fan coil units above the ceiling serving the condo. These units produce electric heat distributed through-out the floor via overhead ducted systems. Each fan coil has a local digital programmable thermostat. The VFR system was designed to operate at outdoor ambient air conditions of:

- Cooling: 14°F Dry Bulb to 122°F Dry Bulb
- Heating: -13°F Wet Bulb to 61°F Wet Bulb
- Cooling Based Synchronous: 14°F Dry Bulb to 81°F Dry Bulb
- Heating Based Synchronous: 14°F Wet Bulb to 61°F Wet Bulb

The Heating system is commissioned and in good working order to provide the below conditions:

- Day: Between the hours of 6:00 AM and 10:00 PM, if the outside temperature falls below 55°F, the inside temperature is required to be at least 68°F.
- Night: Between the hours of 6:00 AM and 10:00 PM, the inside temperature is required to be at least 62°F.(No outside temp requirements.

See below under Air Conditioning for schedule of equipment, and associated warranties and useful life. Units were installed around 2018 and visually looked in good condition.The efficiency of each system is 11.7 EER. There are no known repairs required and no remaining years on the warranties for these units. The remaining life expectancy is unknown.

A common electric unit heater is located in the domestic water room manufactured by Markel, model F2F5103N (3.3 kw) there are no known repairs required for this unit, there are no remaining years left on the warranty. There is also a Markel 5kw wall heater at the stair roof bulkhead. These units were

installed in 2018 and have no remaining years on their warranty, no known repairs are required. Life expectancy is unknown.

No boilers and no perimeter heating existing in the Building of space for heating.

Heating for Lobby is electric, manufactured by Markel model F3G7205.There are no remaining years remaining on the manufacture's warranty. There are no known repairs required, the life expectancy is unknown.

Local digital programmable thermostats for each equipment.

L. GAS SUPPLY

The Building is provided with a low-pressure Con Edison gas service used for both cooking in each Residential Unit and heating on the shared direct outside air unit. Piping material is scheduled 80 black steel.

There are two (2) existing Con Edison direct gas meters. One shared gas meter for each unit 2-5 and one shared gas meter for the heating gas for the direct fired rooftop unit providing outside air to the condominium units. The gas service and meters are located on the Canal Street side, cellar level and located in the city sidewalk vault space.

There is one gas booster pump in the Building serving the DOAS rooftop unit.

M. AIR CONDITIONING:

Air conditioning is accomplished via Variable Frequency Flow (VRF) type split system heat recovery air-cooled units. Each system contains a single dedicated roof mounted heat recovery air-cooled condensing unit, with refrigerant piping connected to a heat recovery selector boxes located in each condo above the ceiling and (2) remote fan coil units above the ceiling serving the condo. These units produce electric cooling distributed through-out the floor via overhead ducted systems. Each fan coil has a local digital programmable thermostat. The efficiency of each system si 11.7 EER. Units were noted to be installed around 2015 and visually looked in good condition. There are no remaining years on the warranty for these units. The remaining life expectancy is unknown.

Each Unit is provided with a dedicated cooling system sized to achieve the indoor space conditions indicated below on a design day having the outdoor conditions indicated below. The cooling system will maintain legally required conditions under anticipated weather conditions.

As per NYC's Energy Conservation Code (ECC 2014), the interior temperature is a minimum of 75 °F during cooling (+/- 50% relative humidity).
The ambient temperatures used in the cooling load calculations are 87 °F dry bulb and 72 °F wet bulb (ASHRAE 2013 1% Design for NYC, JFK).

Each Unit is provided with a dedicated variable refrigerant flow (VRF), direct expansion (DX) cooling, split air-cooled air conditioning (A/C) system.

The system consists of an outdoor condensing unit connected to a series of indoor evaporators, via a network of refrigerant piping. Each condensing unit is located on the Main Roof Level. The nominal cooling capacities of the system range from 0.5 ton (6,000 Btu/hr) to 1.5 tons (18,000 Btu/hr).

Air Conditioning Condensing Units:

The air-cooling condensing units are of the ARUN Model line manufactured by LG. The EER's of the condensing units will meet the minimum efficiency requirements of the 2014 ECC of NYC. In order to prevent vibrations and noise from reverberating into the Unit below, the condensing units are mounted on spring isolators on steel dunnage. Refrigerant liquid and suction piping connected to the condensing unit is insulated as required by the NYC ECC (2014).

Each Unit is divided into zones, and each zone is served by indoor evaporators. The indoor evaporators will consist of floor-mounted, console-type air handling units. A wall-mounted 7-day programmable thermostat is wired to each indoor evaporator.

Air Conditioning Equipment serving the Building per the design is as follows:

1S Floor:
(1) LG ARUM168TES 14 ton Heat Recovery Air Cooled Condenser with 6 indoor fan coil units on 1st floor. This unit was installed around 2015

Floors 2-5:

(1) ARUB096BTE4 LG 8 ton Heat Recovery Air Cooled Condensing – Multi-V Unit VRF Split System with PRHR022A Heat recovery branch selector box (above laundry room). The indoor fan coils serving the condominium are (1) ARNU483BRA (4-ton) fan-coil and (1) ARNU283BRA2 (2-1/2 ton) fan-coil.

No existing air conditioning serves the elevator machine room.

Existing units are in good condition. There are no remaining years on the warranty for these units.

N. EXHAUST/VENTILATION

The bathrooms in each Residential Unit are continuously exhausted at a rate of 225 CFM. The bathroom exhaust is ducted to a nearby vertical riser with a boot at the connection. Ductwork terminates at each bathroom with a register with opposed blade damper. A shared Building toilet exhaust fan is located at the Main Roof Level and the existing fans, as of the date hereof, are manufactured by Greenheck. All kitchens have built-in-range hoods manufactured by Best Range Hoods.

All kitchens have built-in range hoods manufactured by Best Range Hoods (design at 600 cfm) for each residential condominium. The range hoods are connected to a central kitchen exhaust riser to the roof of constant air flow. The central shred kitchen exhaust fan (kx-1 as manufactured by Enervex Model BEF 500 box ventilator) roof utility blower on the roof is design for a total of 2,400 cfm of exhaust. There are no years remaining on the warranty for this fan.

All clothes dryer exhausts from each condominium are ducted to a central vertical riser up to the roof. Each dryer is approximately 220 cfm and will be connected to the existing riser and fan system. The roof utility blower fan (dx-1 as manufactured by Enervex Model BEF 300 box ventilator) is rated for 1000 cfm total. Per the design, the dryer system is controlled via a modulating clothes dryer system. There are no years remaining on the warranty for this fan.

A separate sub-slab PVC venting system was installed to relieve un-ground sub-surface depressurization soil exhaust release. It is ducted via PVC pipe up to the roof were it discharges to the atmosphere via a fan. One (1) Radon Away GP 500 Model Fan (GP 500 Fan), No known repairs needed at this time.

A separate gx-1 trash room exhaust with in-line fan (design make Aldes model A6) is located in the cellar. The duct riser terminates the discharge on the roof.

An existing shared common direct gas-fired outside air system 2200 cfm (RTU-1) for the condominiums is located on the roof that serves 1st thru 5th floors. A packaged air-cooled gas-fired rooftop unit (designed as Aaon, model RN-0138-OEB09-3G9) is located on steel dunnage with vibration isolation. It provides nominal 10 tons (120,000 Btuh) of electric cooling and 234,000 btuh of gas-fired heating total. Each condominium receives (based on design 425 cfm) with 400 cfm available on the 1st floor space. Unit is estimated to be installed around 2015. It is observed in good condition. It has a separate direct gas meter. There are no known required repairs and no remaining years on the warranty.

The main Building gas meter room is vented via duct to the the roof as required by local utility company.

O. ELECTRICAL SYSTEM

(1) Electrical Service: One (1) electrical service is provided by the utility company, Consolidated Edison, at a utilization voltage of 120/208 volts, 3-phase, 4-wires.

   a. Utility company feeders are terminated in a service end box located in the Building cellar. From the service end box, customer service feeders rated for 1200A and consisting of three (3) sets of 4-500Kcmil in 4” conduit serve the Building electrical service distribution equipment located in the Cellar Electric Service Room.

(2) Service Distribution Equipment: The electrical service distribution equipment consists of four (4) service switches plus two (2) switches serving the fire pump and fire alarm system respectively. All switches are in the Cellar Electric Service Room and energized from the customer service feeders. This includes:

   a. Service switch No.1: Rated for 400A, fused with 400A fuses. Utility metered via a Trans-S cabinet. Currently not used.

Service switch No.2: Rated for 400A, fused with 400A fuses. Utility metered via a Trans-S cabinet. Serves tenant space.

b. Service switch No.3: Rated for 400A, fused with 400A fuses. Utility metered via a Trans-S cabinet. Serves common Building loads via a 400A power distribution panel labeled DP-H1.

c. Service switch No.4: Rated for 400A, fused with 400A fuses. Unmetered. Serves residential units via a commercial meter bank.

d. Fire Pump Switch. Rated for 400A, fused with 250A fuses. Utility metered via a Trans-S cabinet. Serves Building fire pump.

e. Fire Alarm Switch. Rated for 30A, fused with 30A fuses. Utility metered via a in-line meter. Serves Building fire alarm control panel.

(3) Service to Residential Units: Power is delivered to the residential units via a commercial meter bank rated for 400A, 120/208 volts, 3-phase, 4-wires, located in the Cellar Electric Service Room and energized from service switch No.4.

a. Commercial meter bank includes four (4) utility meter positions and corresponding residential unit service circuit breaker. All meter positions are provided with a 200A utility meter. All residential Units use a service circuit breaker rated for 125A.

b. Each residential unit is fed by its own dedicated 125A, 120/208 volts, 3-phase, 4-wires feeder originated from the commercial meter bank, up to the Building and terminated in a dedicated electrical panel located in the corresponding unit.

(4) Service to Common Building Loads: Power is delivered to the common Building loads including but not limited to common spaces lighting and appliance loads, pumps, air-handling units, elevators, etc. via one (1) power distribution panel labeled DP-H1 and two (2) lighting and appliance panelboards labeled UP-H1 / UP-H2 and UP-R respectively.

a. Power distribution panel DP-H1 is rated for 400A, 120/208 volts, 3-phase, 4-wires and serves the elevator plus downstream panelboards as described herein. Panel DP-H1 is located in the Cellar Electric Service Room and energized from service switch No.3.

b. Panel UP-H1 / UP-H2 is a two-section lighting and appliance panelboard rated for 150A, 120/208 volts, 3-phase, 4-wires and serves miscellaneous mechanical and plumbing loads plus common spaces lighting and plug loads. Panel UP-H1 / UP-H2 is located in the Cellar Electric Service Room and energized from distribution panel DP-H1.

c. Panel UP-R is rated for 175A, 120/208 volts, 3-phase, 4-wires and serves mechanical loads on the roof level. Panel UP-R is located on the Building roof and energized from distribution panel DP-H1.

(5) Unit Service: Each residential unit is provided with a lighting and appliance panelboard located within a designated area inside each unit to provide electricity for all lighting

fixtures, receptacles, heating and air conditioning units, and appliances with approximately 20% available spare capacity for additional loads.

a. Residential unit panelboards are rated for 125A, 120/208V, 3-phase, 4-wire and provided with 42-poles. Residential unit's panelboards are energized via feeders originated at the commercial meter bank as described herein and individually direct utility-company metered.

b. Each residential unit has adequate electrical service for current or modern usage.

(6) Adequacy:

a. Service: Each residential unit panelboard contains 42 branch circuits of adequate rating to accommodate lighting, convenience power, and power for the following appliances: electric oven, dishwasher, food disposer, washing machine, clothes dryer, electric water heater and air conditioning including indoor fan coil units and outdoor remote condenser unit.

d. Lighting and fixtures: Permanently installed, fixed lighting fixtures are provided in each room of the residential units except for bedrooms. Switch-controlled receptacles are provided in each bedroom of each residential unit. A local dimmer or on/off switch lighting control is provided in each room. Selected lighting meets NYC code requirements, lighting in the Units have lamps with 50% efficacy.

e. Convenience outlets, appliance outlets: The provided receptacles are as required by the 2011 NYC Electrical Code, one every twelve (12) linear feet of wall in bedrooms, living rooms and dining rooms, etc., one for every two (2) linear feet of kitchen countertop, and at least one in every hallway. A minimum of two (2) circuits for appliances to serve the kitchen, plus dedicated circuits for the dishwasher, electric ovens, and other miscellaneous appliances are also provided. As required by the 2011 NYC Electrical Code, each receptacle is tamper resistant, receptacle installed in bathrooms and kitchens, have a ground fault circuit interrupter (G.F.C.I) and arc-fault circuit interrupter protection is provided for 15A and 20A 120V, single-phase circuits supplying outlets in living rooms, bedrooms, hallways or similar rooms. Each unit has adequate convenience outlets for current or modern usage.

(7) Emergency and Standby Power: Service: There are no provisions for emergency or standby power during power outages. Egress lighting and exist signs in common spaces is provided with emergency battery backup.

P. FIRE AND SMOKE DETECTION SYSTEM

(1) An automatic fire alarm system without alarm notification appliances is provided to detect fire and smoke conditions, and initiate fire safety control operations within the residential occupancy.

(2) Single or multiple-station combination smoke/carbon monoxide alarms are installed in

residential units on the ceiling or wall outside of each room used for sleeping purposes within 15 feet from the door to such room and in each room used for sleeping purposes. These devices are not connected to the fire alarm system.

Q. INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS AND SECURITY CLOSED CIRCUIT TV/ALARMS

a. Intercom between each Residential Unit and the main entrance panel are located in each Residential Unit. Remote entrance at the main entrance from each Residential Unit's intercom station is provided with virtual doorman. Virtual Door Guard system. Electrified locksets provided. Hardwired color video intercom wall units in each unit. Akuvox C313 App-based intercom with integrated CCTV system. (See Paragraph I above regarding the Virtual Doorman for further detail regarding this intercom provided service). The Akuvox system was installed in June 2023 with a 1-year manufacturer's warranty.

R. PUBLIC AREA LIGHTING

Existing lighting in the Lobby and on the Cellar Level is wired to a timeclock and controlled by local switches. Keypads are located in the lobby. There are four (4) LED 13 -watt light fixtures per floor. All lighting levels are designed in accordance with the NYC Building Code and the Housing Maintenance Code. There are no exterior lights. Existing lights are in good condition.

S. GARAGE AND PARKING AREAS

There are no parking spaces or parking garages within the Building.

Off street parking regulation complies with ZR 13-11.

T. SWIMMING POOL(S)

None.

U. TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

(1) No tennis courts are provided.
(2) No playground is provided.

(3) Other Recreation Facilities: None.

V. PERMITS AND CERTIFICATES

The Architect's plans are fully approved by all appropriate local agencies, including the NYC Department of Buildings. A final Certificate of Occupancy has been issued.

The following recurring inspections will occur:

(1) RPZ Valve (Annual)
(2) Fire extinguisher fill and tag (Semi-annual)
(3) Back flow preventer (Annual)
(4) House trap clean out (Bi-annual)
(5) Elevator (Semi-annual)
(6) Façade (Local Law 11) Not required.
(7) Local Law 52 (Annual)
(8) NFPA 80 Fire Door (Annual)
(9) Cooling tower elevator safety (Annual)
(10) Elevator load test (Semi-Annual)
(11) Boiler safety (Semi-Annual)
(12) Fire Alarm (Annual)
(13) Site Management Plan for Remedial Action Plan (RAP)

W. VIOLATIONS

As of the date hereof, there are no housing violations outstanding with respect to the Property. If any Building Department violation(s) appear during the project, the same will be removed prior to the closing of the unit that is the subject of such violation(s).

X. UNIT INFORMATION

Residential Units

There are four (4) Residential Units located on the second (2nd) through fifth (5th) floors. See Schedule A set forth in Part I of the offering plan for bedroom/bathroom count and approximate square footages.

There is one (1) Commercial Unit located on portions of the Cellar and First Floor. See Schedule A set forth in Part I of the Plan for approximate square footages. The commercial Unit is not presently being offered for sale unde the terms of the Offering Plan. In the case that the Commerical Unit is offered for sale in the future pursuant to the terms of the Plan, Sponsor will cause this report to be updated to reflect certain disclosures pertaining to utilities and systems serving the Commercial Unit.

The Building is compliant with ADA requirements. Units are ADA accessible through the ramp at the entrance of the Building and stretcher size elevator. Units are also ADA adaptable.

Existing floors are 7-inch wide engineered wood flooring. The age of the wood floors is 7 years old (installed in 2017).

Existing kitchen and bathroom fixtures are approximately 7 years old (installed in 2017). The existing kitchen roughing remain. The existing bathroom fixtures and roughings were replaced in their original locations. See appliance schedule below.

The existing kitchen cabinetry and countertops are approximately 7 years old (installed in 2017) and are being replaced. See the finish schedule below.

Dimensions of the Units

Each Unit consists of the area measured horizontally on each of one or more floors from the exterior side of the exterior walls of the Building to the midpoint of the interior walls and partitions separating the Unit from corridors, stairways, elevator shafts, other General Common Elements, Limited Common Elements or other Units, or to the opposite exterior side of the exterior walls of the Building, as the case may be. Columns and mechanical pipes and shafts and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub floor materials) to the underside of the floor slab above. In any instance where a floor of a Unit is above or below a floor of the same Unit, the concrete floor slab between such floors are a part of such Unit. The floor area occupied by any Common Elements within a Unit (such as the Building's façade and exterior walls, vents, chase walls or areas, conduits, shafts, pipes and any Structural Components) have been included in the computation of the floor area of such Unit, but such Common Elements shall not be considered part of that Unit.

The dimensions disclosed herein and within this Plan are subject to construction variances within reasonable tolerances. Plans and dimensions may also contain minor variations from floor to floor. Dimensions are maximum overall within a room or space not subtracting cut-outs. Sponsor reserves the right to make changes in accordance with the terms of the Offering Plan. As is customary in New York City, these square foot areas exceed the useable floor area of each Unit.

Wood Flooring Finish in Residential Units:
7- inch wide Euro Oak square edge, 3/4" thick with 6mm top ply, manufactured by Essex Finishing. Wood floors were installed in 2018 renovation and refinished in 2023 and finished with one coat of a neutral waterborne sealer and two coats of a low luster catalyzed waterborne polyurethane applied, well burnished prior to final coat. Floors are in good conditiona and no known repairs are required, and no warranties are provided.

Finish Schedules: Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report. Sponsor has the right to substitute in their place similar materials , appliances, equipment and/or fixtures of substantially equal or better quality.

1. FINISH SCHEDULE FOR LOFT 2

Space/Room	Wall	Floor	Base	Ceiling	Countertop	Millwork	Remarks
Entry & Hall	PG	WF	W	PG			
Living Room	PG	WF	W	PG			
Kitchen	PG	WF	W	PG	SS	W	CM, BC
Bedrooms	PG	WF	W	PG			
Master Bathroom	CT/PT	CT/PT	PT	PG			CM
Bathroom	CT/PT	CT/PT	PT	PG			CM
Walk-in Closet/ Laundry RM	PG	WF	W	PG			

Closets	PG	WF	W	PG			

2. BATHROOM FIXTURES - LOFT 2

BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	Wetstyle Cube VCMS 36	True High Gloss – White
Sink Faucet	Watermark	24-2.7-L5	Chrome
Toilet	Toto	Drake 1.6GPF CST744S(G)	White/Ceramic
Tub	American Standard	American Standard 2933	White
Tub Control	Watermark	24-5-L5	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

3. MASTER BATHROOM FIXTURES - LOFT 2

MASTER BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	VC 821U	White/Ceramic
Toilet	Toto	Aquia One-Piece High Efficiency Drake 1.6GPF MS654114MF	White/Cotton
Freestanding Tub	Signature Hardware 63” Eden	2933 Studio 5’ x 32’	White/Acrylic
Tub Filler	Watermark	22-8.3-TIA	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

4. KITCHEN - LOFT 2

KITCHEN			
Appliance	Manufacturer	Model Number	Material/Color Specification
Refrigerator	Bosch	B36IT800NP	Custom Panel
Range	Bosch	NGMP655UC	Stainless-steel
Microwave	LG	LMV1680ST	Stainless Steel
Range Hood	Best	PIK33	Stainless Steel
Wall Oven	Bosch	HBLP751UC	Stainless Steel
Dishwasher	Bosch	SGV63E03UC	Custom Panel
Sink	Blanco	441764	White
Sink Faucet	Watermark	26-7-V2	Chrome
Countertop			Fiandre Synthetic Stone, 2" thick built up slabs
Wine Storage Unit	Sub-Zero	IW18	Stainless Steel

5. LAUNDRY - LOFT 2

LAUNDRY			
Appliance	Manufacturer	Model Number	Material/Color Specification
Washer	Blomberg	WM 87120 NBL00	White – Stackable
Dryer	Blomberg	DV17542	White – Compact Vented Dryer

6. FINISH SCHEDULE FOR LOFT 3

Space/Room	Wall	Floor	Base	Ceiling	Countertop	Millwork	Remarks
Entry & Hall	PG	WF	W	PG			
Living Room	PG	WF	W	PG			
Kitchen	PG	WF	W	PG	SS	W	CM, BC
Bedrooms	PG	WF	W	PG			
Master Bathroom	CT/PT	CT/PT	PT	PG			CM
Bathroom	CT/PT	CT/PT	PT	PG			CM
Walk-in Closet/ Laundry RM	PG	WF	W	PG			

Closets	PG	WF	W	PG			

7. BATHROOM FIXTURES - LOFT 3

BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	Wetstyle Cube VCMS 36	True High Gloss – White
Sink Faucet	Watermark	24-2.7-L5	Chrome
Toilet	Toto	Drake 1.6GPF CST744S(G)	White/Ceramic
Tub	American Standard	American Standard 2933	White
Tub Control	Watermark	24-5-L5	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

8. MASTER BATHROOM FIXTURES - LOFT 3

MASTER BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	VC 821U	White/Ceramic
Toilet	Toto	Aquia One-Piece High Efficiency Drake 1.6GPF MS654114MF	White/Cotton
Freestanding Tub	Signature Hardware 63” Eden	2933 Studio 5’ x 32’	White/Acrylic
Tub Filler	Watermark	22-8.3-TIA	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

9. KITCHEN - LOFT 3

KITCHEN			
Appliance	Manufacturer	Model Number	Material/Color Specification
Refrigerator	Bosch	B36IT800NP	Custom Panel
Range	Bosch	NGMP655UC	Stainless-steel
Microwave	LG	LMV1680ST	Stainless Steel
Range Hood	Best	PIK33	Stainless Steel
Wall Oven	Bosch	HBLP751UC	Stainless Steel
Dishwasher	Bosch	SGV63E03UC	Custom Panel
Sink	Blanco	441764	White
Sink Faucet	Watermark	26-7-V2	Chrome
Countertop			Fiandre Synthetic Stone, 2" thick built up slabs
Wine Storage Unit	Sub-Zero	IW18	Stainless Steel

10. LAUNDRY - LOFT 3

LAUNDRY			
Appliance	Manufacturer	Model Number	Material/Color Specification
Washer	Blomberg	WM 87120 NBL00	White – Stackable
Dryer	Blomberg	DV17542	White – Compact Vented Dryer

11. FINISH SCHEDULE FOR LOFT 4

Space/Room	Wall	Floor	Base	Ceiling	Countertop	Millwork	Remarks
Entry & Hall	PG	WF	W	PG			
Living Room	PG	WF	W	PG			
Kitchen	PG	WF	W	PG	SS	W	CM, BC
Bedrooms	PG	WF	W	PG			
Master Bathroom	CT/PT	CT/PT	PT	PG			CM
Bathroom	CT/PT	CT/PT	PT	PG			CM
Walk-in Closet/ Laundry RM	PG	WF	W	PG			

Closets	PG	WF	W	PG			

12. BATHROOM FIXTURES - LOFT 4

BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	Wetstyle Cube VCMS 36	True High Gloss – White
Sink Faucet	Watermark	24-2.7-L5	Chrome
Toilet	Toto	Drake 1.6GPF CST744S(G)	White/Ceramic
Tub	American Standard	American Standard 2933	White
Tub Control	Watermark	24-5-L5	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

13. MASTER BATHROOM FIXTURES - LOFT 4

MASTER BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	VC 821U	White/Ceramic
Toilet	Toto	Aquia One-Piece High Efficiency Drake 1.6GPF MS654114MF	White/Cotton
Freestanding Tub	Signature Hardware 63” Eden	2933 Studio 5’ x 32’	White/Acrylic
Tub Filler	Watermark	22-8.3-TIA	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

14. KITCHEN - LOFT 4

KITCHEN			
Appliance	Manufacturer	Model Number	Material/Color Specification
Refrigerator	Bosch	B36IT800NP	Custom Panel
Range	Bosch	NGMP655UC	Stainless-steel
Microwave	LG	LMV1680ST	Stainless Steel
Range Hood	Best	PIK33	Stainless Steel
Wall Oven	Bosch	HBLP751UC	Stainless Steel
Dishwasher	Bosch	SGV63E03UC	Custom Panel
Sink	Blanco	441764	White
Sink Faucet	Watermark	26-7-V2	Chrome
Countertop			Fiandre Synthetic Stone, 2" thick built up slabs
Wine Storage Unit	Sub-Zero	IW18	Stainless Steel

15. LAUNDRY - LOFT 4

LAUNDRY			
Appliance	Manufacturer	Model Number	Material/Color Specification
Washer	Blomberg	WM 87120 NBL00	White – Stackable
Dryer	Blomberg	DV17542	White – Compact Vented Dryer

16. FINISH SCHEDULE FOR LOFT PH

Space/Room	Wall	Floor	Base	Ceiling	Countertop	Millwork	Remarks
Entry & Hall	PG	WF	W	PG			
Living Room	PG	WF	W	PG			
Kitchen	PG	WF	W	PG	SS	W	CM, BC
Bedrooms	PG	WF	W	PG			
Master Bathroom	CT/PT	CT/PT	PT	PG			CM
Bathroom	CT/PT	CT/PT	PT	PG			CM

Walk-in Closet/ Laundry RM	PG	WF	W	PG			
Closets	PG	WF	W	PG			

17. BATHROOM FIXTURES - LOFT PH

BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	Wetstyle Cube VCMS 36	True High Gloss – White
Sink Faucet	Watermark	24-2.7-L5	Chrome
Toilet	Toto	Drake 1.6GPF CST744S(G)	White/Ceramic
Tub	American Standard	American Standard 2933	White
Tub Control	Watermark	24-5-L5	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

18. MASTER BATHROOM FIXTURES - LOFT PH

MASTER BATHROOOM FIXTURES			
Fixture	Manufacturer	Model Number	Material/Color Specification
Sink	Cube	VC 821U	White/Ceramic
Toilet	Toto	Aquia One-Piece High Efficiency Drake 1.6GPF MS654114MF	White/Cotton
Freestanding Tub	Signature Hardware 63” Eden	2933 Studio 5’ x 32’	White/Acrylic
Tub Filler	Watermark	22-8.3-TIA	Chrome
Shower Head	Watermark	SH-TIT50	Chrome

19. KITCHEN - LOFT PH

KITCHEN			
Appliance	Manufacturer	Model Number	Material/Color Specification
Refrigerator	Bosch	B36IT800NP	Custom Panel
Range	Bosch	NGMP655UC	Stainless-steel
Microwave	LG	LMV1680ST	Stainless Steel
Range Hood	Best	PIK33	Stainless Steel
Wall Oven	Bosch	HBLP751UC	Stainless Steel
Dishwasher	Bosch	SGV63E03UC	Custom Panel
Sink	Blanco	441764	White
Sink Faucet	Watermark	26-7-V2	Chrome
Countertop			Fiandre Synthetic Stone, 2" thick built up slabs
Wine Storage Unit	Sub-Zero	IW18	Stainless Steel

20. LAUNDRY - LOFT PH

LAUNDRY			
Appliance	Manufacturer	Model Number	Material/Color Specification
Washer	Blomberg	WM 87120 NBL00	White – Stackable
Dryer	Blomberg	DV17542	White – Compact Vented Dryer

21. FINISH SCHEDULE FOR COMMON SPACES

Space/Room	Wall	Floor	Base	Ceiling	Remarks
Corridor	FC	CF	n/a	n/a	
Lobby	PG	CF	n/a	PG	

Existing finishes to remain in the common spaces. No known repairs are required.

ABBREVIATIONS FOR FINISHES:

WALLS

PC	Painted CMU
PG	Painted GWB
SS	Stone Slab
CT	Ceramic Tile
PT	Porcelain Tile
FC	Fiber Reinforced Concrete Panel
W	Wood
M	Mirror

BASE

W	Wood
AV	Applied Vinyl

FLOOR

ST	Stone Tile
WF	Wood Floor
R	Rubber Floor
CF	Concrete Floor
C	Carpet
EP	Exterior Pavers

CEILING

PG	Painted GWB
W	Wood

MISC

CM	Custom Millwork
BC	Backsplash

[Except as expressly provided otherwise herein with respect to Residential Unit [ ]] All kitchen and bathroom appliances, cabinets, countertops, and finishes are in their existing "as is" amd "where is" condition. All existing appliances, cabinets, countertops and finish surfaces are in good condition and will be conveyed in their existing "as is" condition as of the date of closing of title to their respective Residential Units. All appliances are outside of their warranty periods and will not be delivered with any remaining years on the their warranties.

Y. SAFETY AND WARNING DEVICES

Each Residential Unit is provided with a line voltage smoke alarm and a carbon monoxide alarm, located in each bedroom and within approximately 15 feet of each bedroom door. The detectors are

wired to a 120-volt local power supply and are self-contained with their own sounding device. Existing devices are in good condition.

An automatic fire alarm system without alarm notification appliances is provided to detect fire and smoke conditions, and initiate fire safety control operations within the residential occupancy. Siemens FireSeeker Fire Alarm System, Addressable Fire Alarm Control Panel, Model FS-250. Model FS-250 indicates Alarm, Trouble and Supervisory conditions with an 80-character backlit LCD display and integral system status LEDs. Sponsor is not aware of any remaining warranty.

Public Space and Corridors Smoke Detection System:

Smoke detectors are provided for each lobby, mechanical room, and electrical room.

For all other devices please see Electrical Plans.

Z. ADDITIONAL INFORMATION REQUIRED

(1) Site plan: see section of the offering plan entitled "Floor Plans"

(2) Area map: N/A

(3) Floor Plans: see section of the offering plan entitled "Floor Plans"

(4) Floor to ceiling heights of units. Exclusive of dropped ceiling areas at kitchens, bathrooms, halls, soffits, mechanical equipment including ducts and plumbing elements, and structural offsets and boxed-out structural beams, ceiling heights in units located in the Building are the following: 9'-0"

(5) Approximate total area of each unit: see section of the offering plan entitled "Schedule A."

(6) A master floor plan: see section of the offering plan entitled "Floor Plans"

(aa) Certain conditions: N/A

(bb) Further Development: The sponsor does not intent to add additional units to the building, either above the existing roof, outside the existing building development, or by altering the space within the building.

(cc) Asbestos:
In connection with Renovations to the Building performed by Sponsor as described in this Plan, Sponsor performed certain testing to determine whether there was any ACM present in the areas being renovated (Floors 2-5 of the Building). As indicated in the ACP-5 Form filed with the New York City Department of Environmental Protection on June 19, 2015, a copy of which is included as part of Exhibit 11 in Part II of the Plan (the "ACP-5"), no ACM was identified. Purchasers are advised that the findings disclosed in the Asbestos Report and ACP-5 are for disclosure purposes only and does not comprise a full survey of all suspect ACM at the Building. Neither the Asbestos Report nor the ACP-5 should be relied upon by any Unit Owner or the Condominium Board when determining the

status of ACM at the Building. Sponsor makes no representations about the status of ACM in the Property or the Building

(dd) Lead-Based Paint:

Given the date of construction of the existing building,the building may contain lead base paint because the property was constructed prior to 1978; however, to the best of its knowledge, Sponsor has no actual knowledge of any lead based paint at the Property. Ingestion of lead poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with the NYC Local Law 1 of 2004, a copy of which is included as an Exhibit to the Offering Plan. Purchasers of Units, particularly those with young children, are advised to consult with an environmental professional to determine the existence of, and any remediation of, lead-based paint.

XX. THE NEW YORK CITY ENERGY CONSERVATION CODE:

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the NYCECC 2020.

Date: May 07, 2024

ADG Architecture and Design, PC
13 West 36th Street, 7th Floor
New York, NY 10018

Chris Carrano, RA

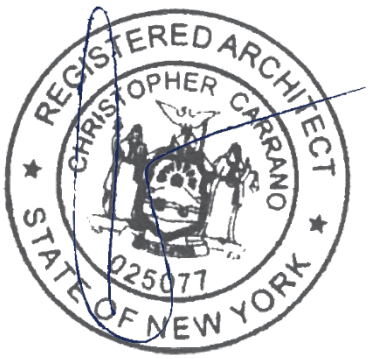
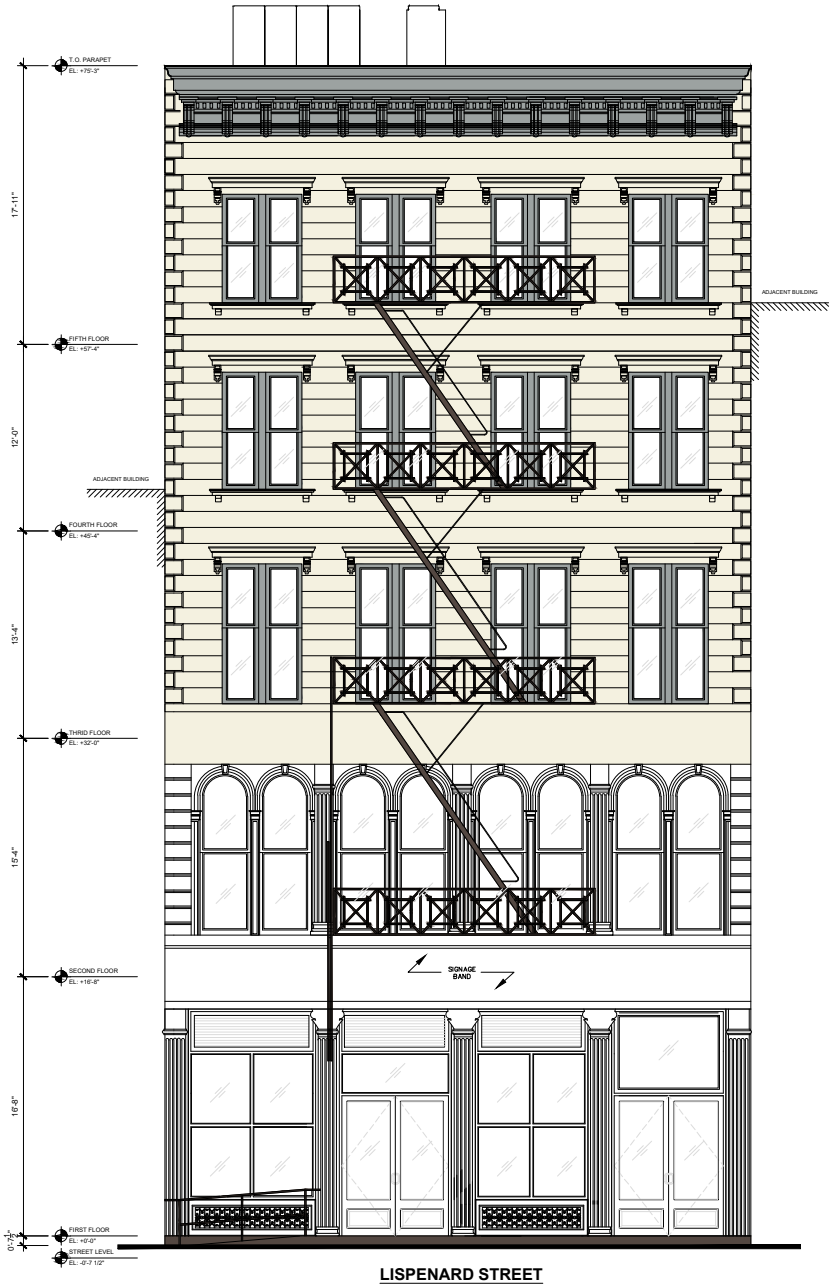


EXHIBIT 5

FLOOR PLANS

CANAL STREET



LISPENARD STREET

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ELEVATIONS

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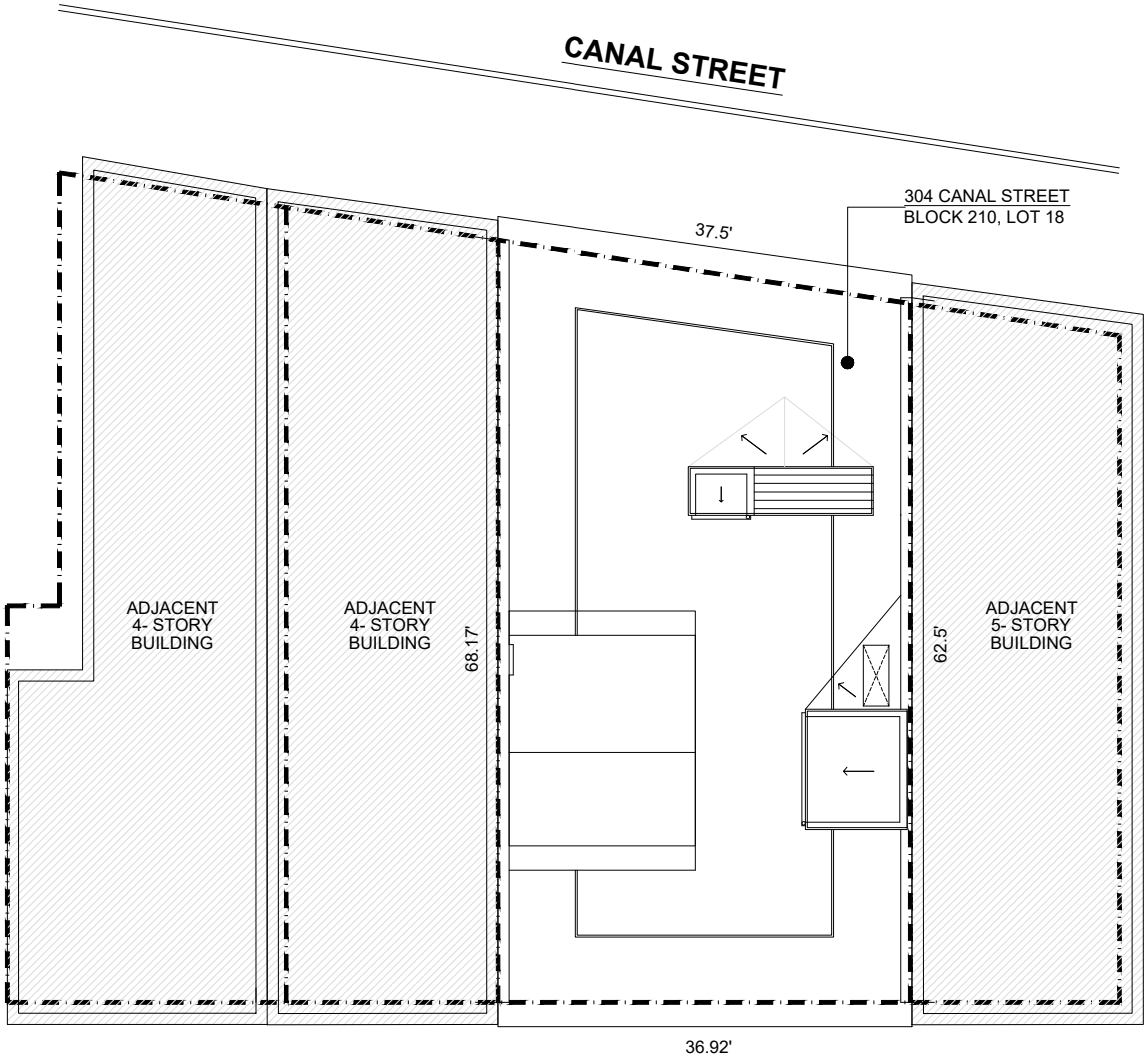

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SITE PLAN

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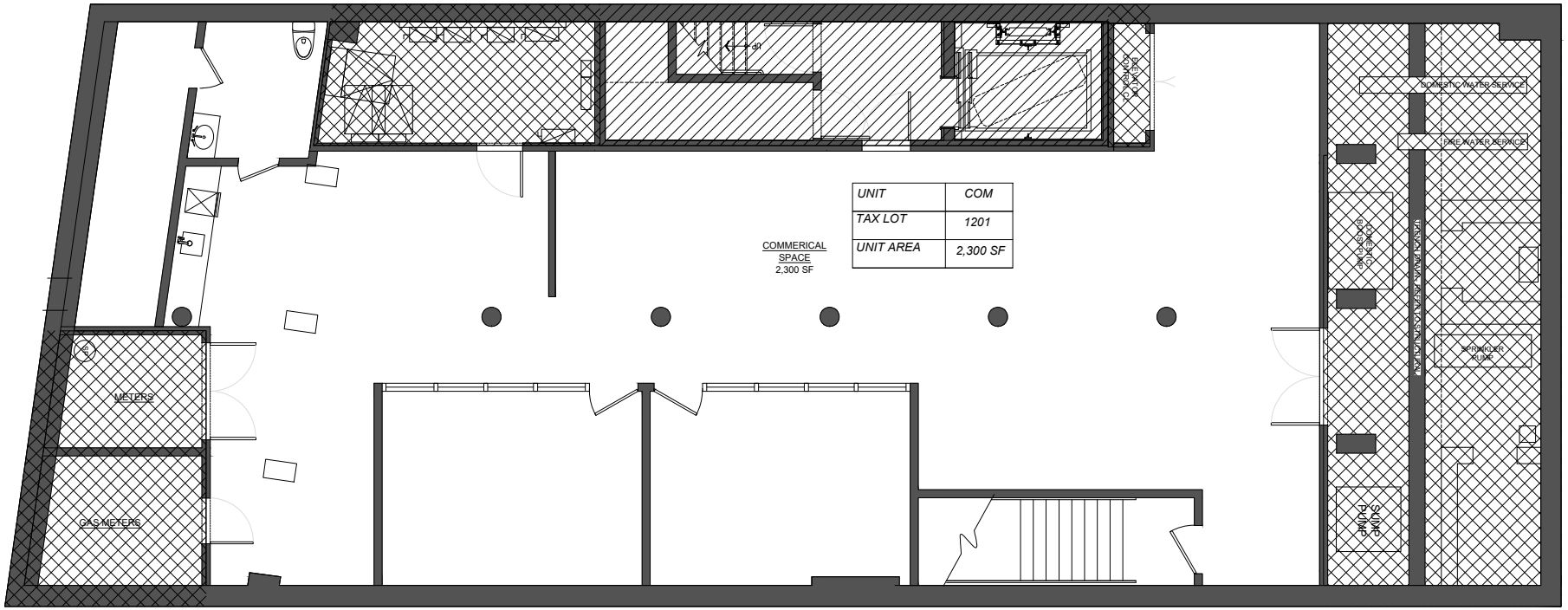

ABBREVIATION LEGEND:

REF	REFRIGERATOR
DW	DISHWASHER
MW	MICROWAVE
LAV	LAVATORY
TUB	BATHTUB
WC	WATER CLOSET
W/D	WASHER / DRYER
WH	WATER HEATER

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CELLAR PLAN

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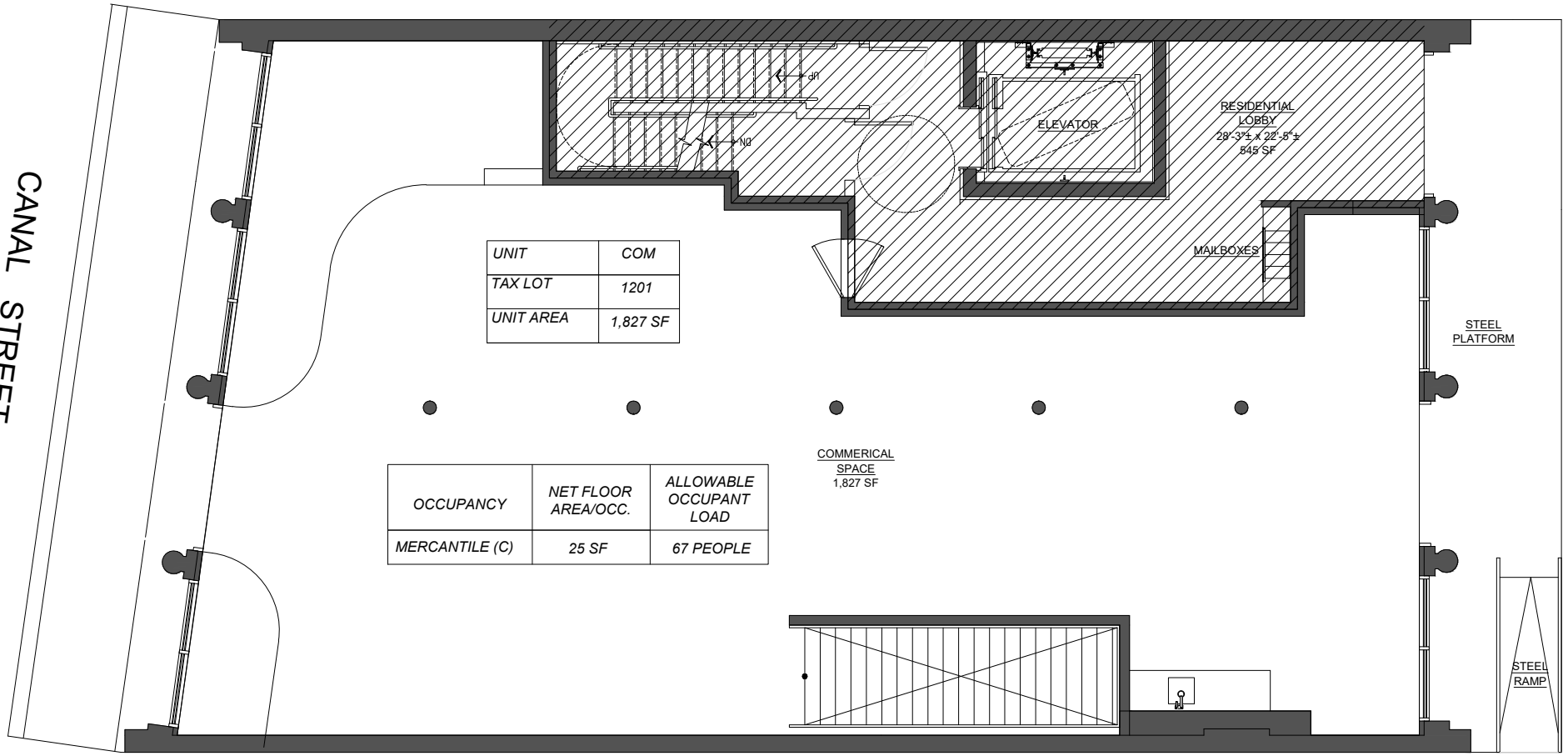

UNIT	COM
TAX LOT	1201
UNIT AREA	1,827 SF

OCCUPANCY	NET FLOOR AREA/OCC.	ALLOWABLE OCCUPANT LOAD
MERCANTILE (C)	25 SF	67 PEOPLE

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1ST FLOOR PLAN

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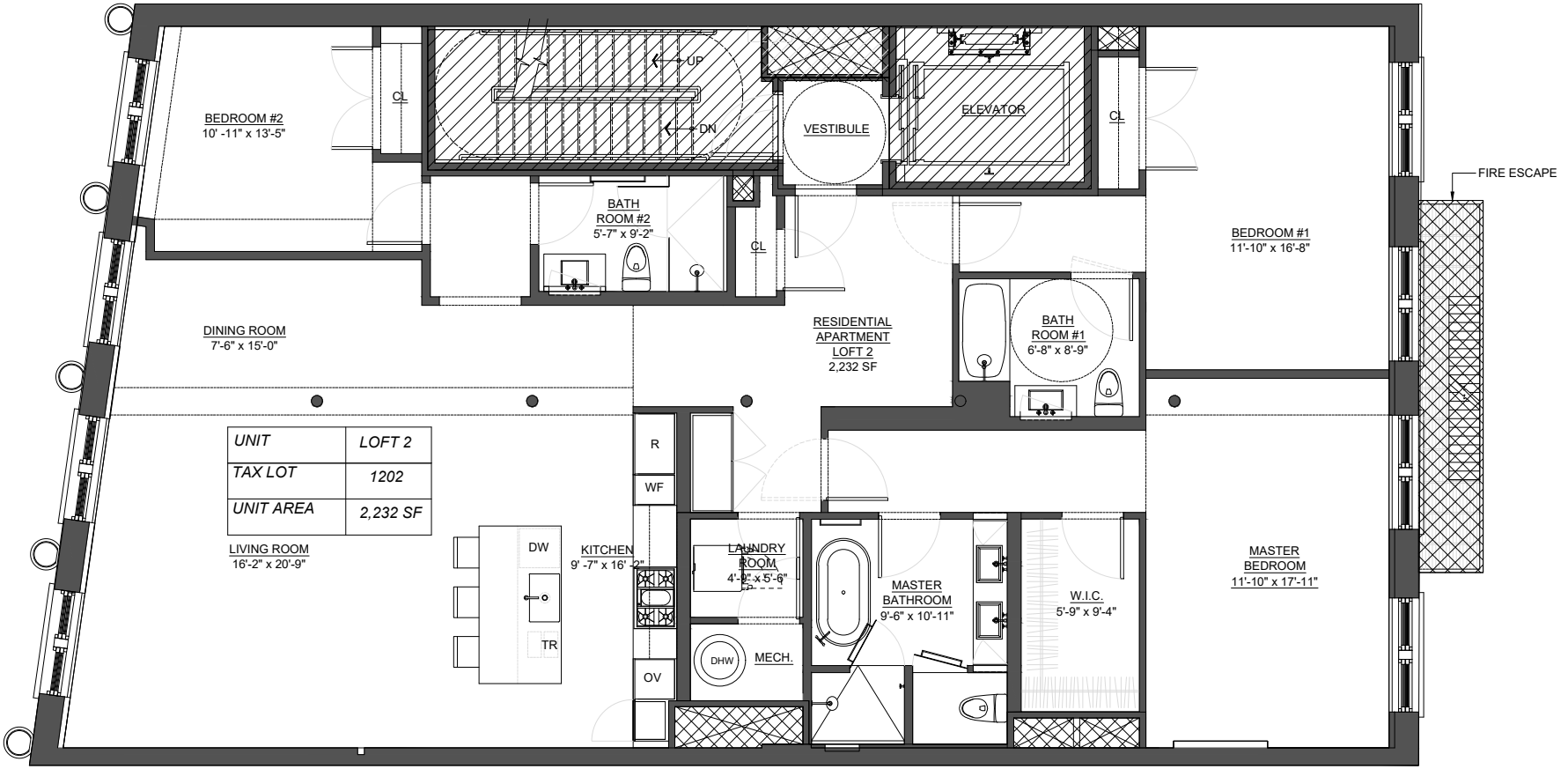

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2ND FLOOR PLAN

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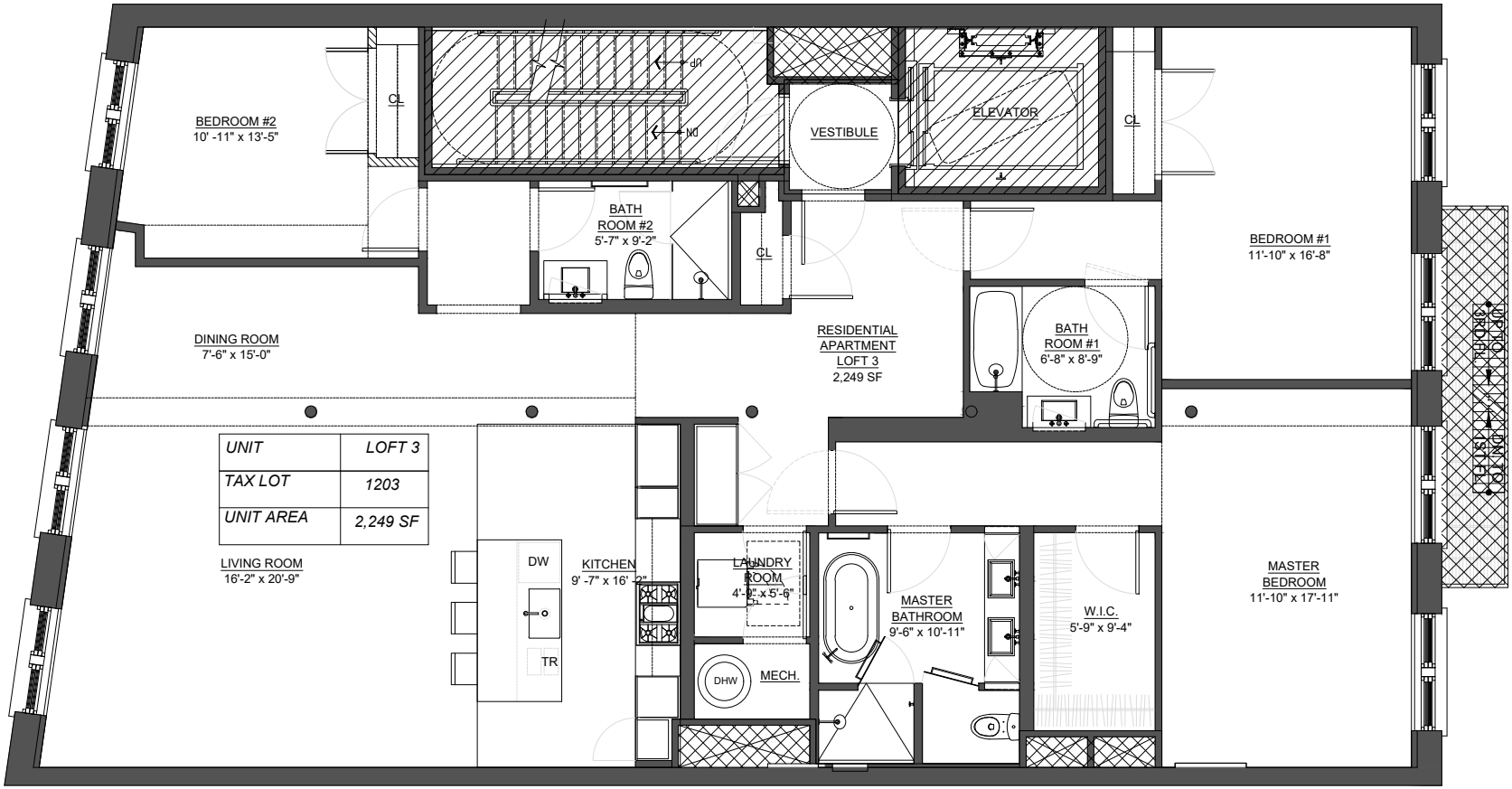

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3RD FLOOR PLAN

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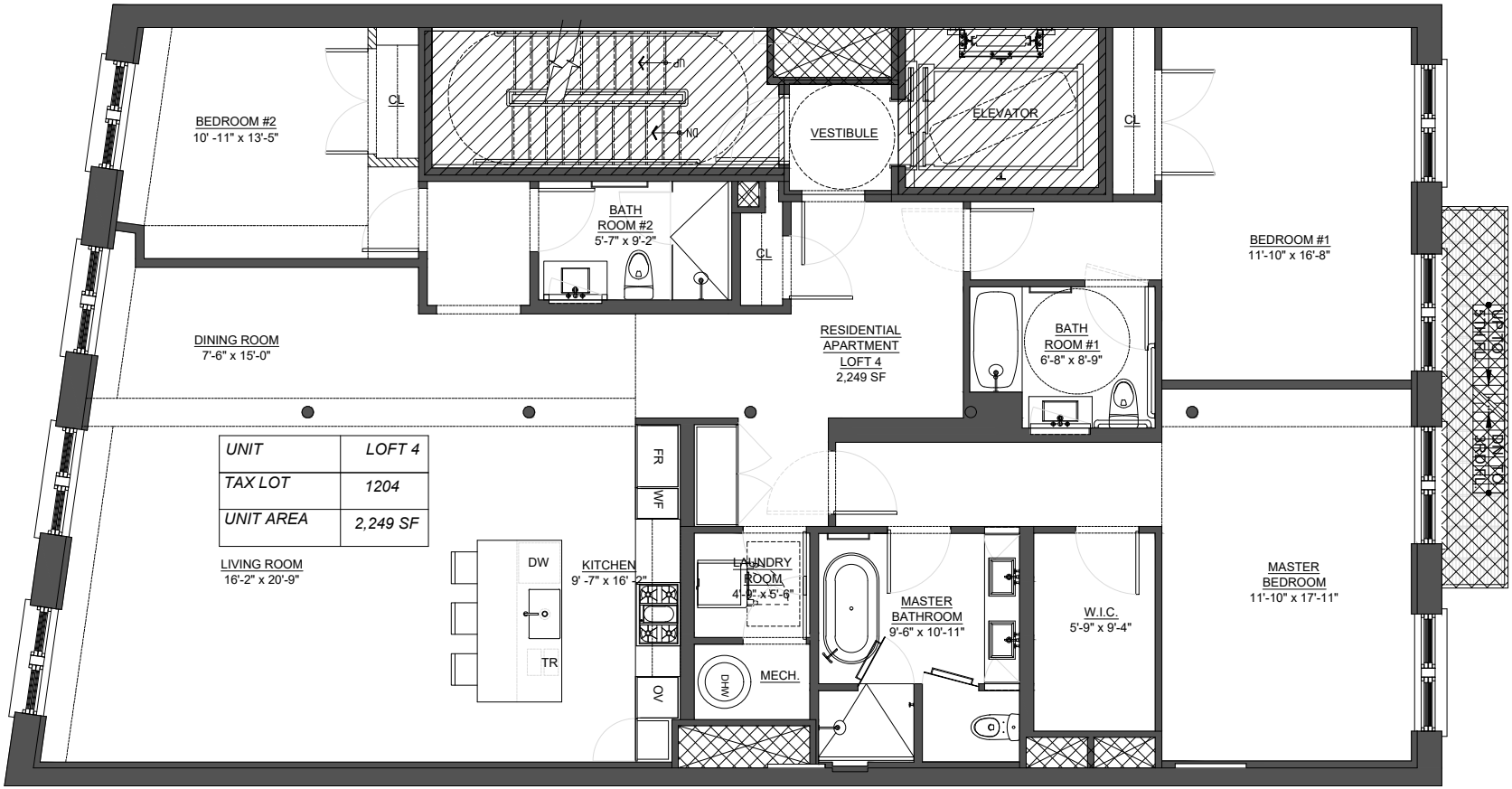

UNIT	*LOFT 4*
TAX LOT	*1204*
UNIT AREA	*2,249 SF*

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4TH FLOOR PLAN

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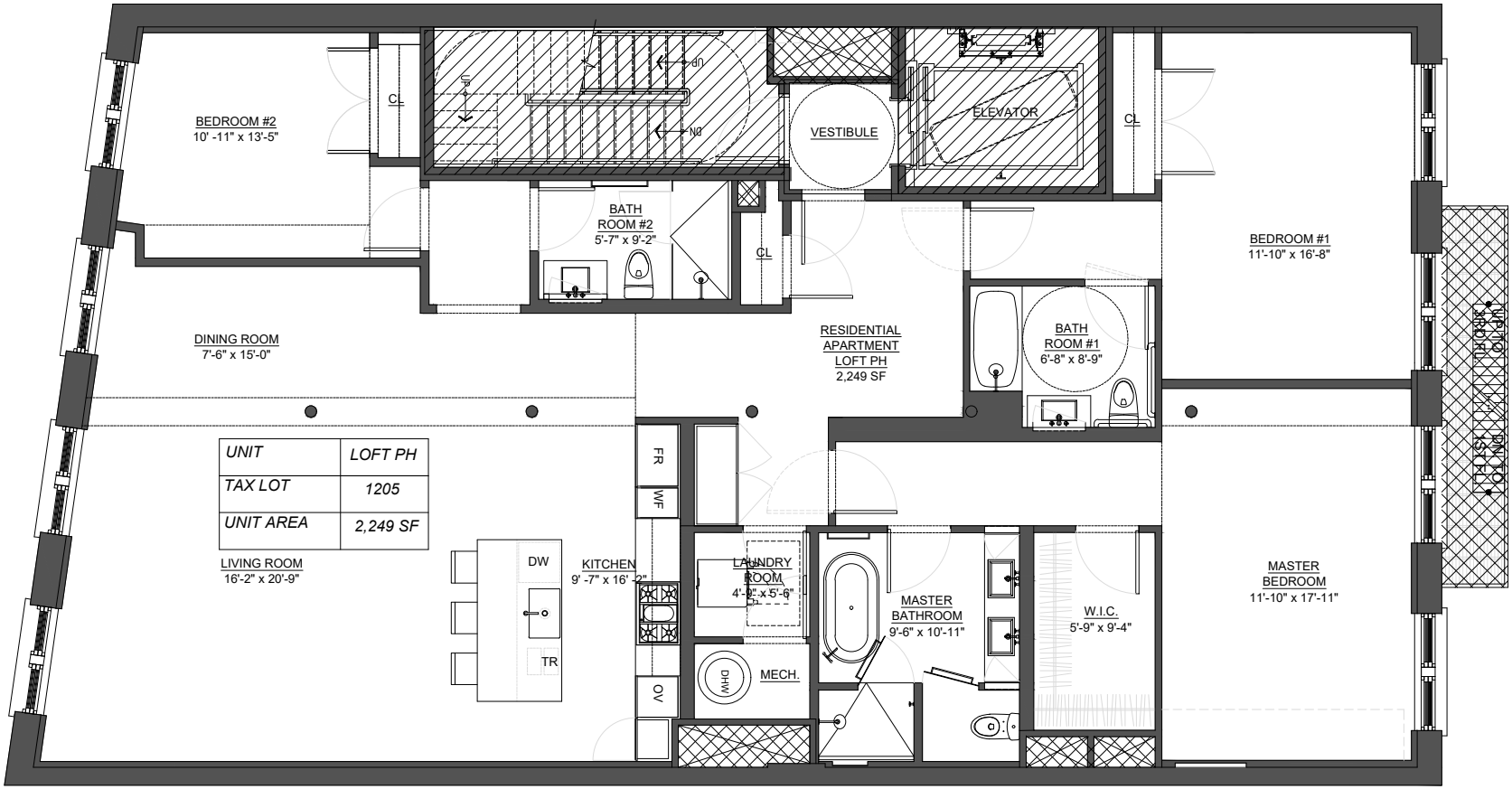

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PENTHOUSE PLAN

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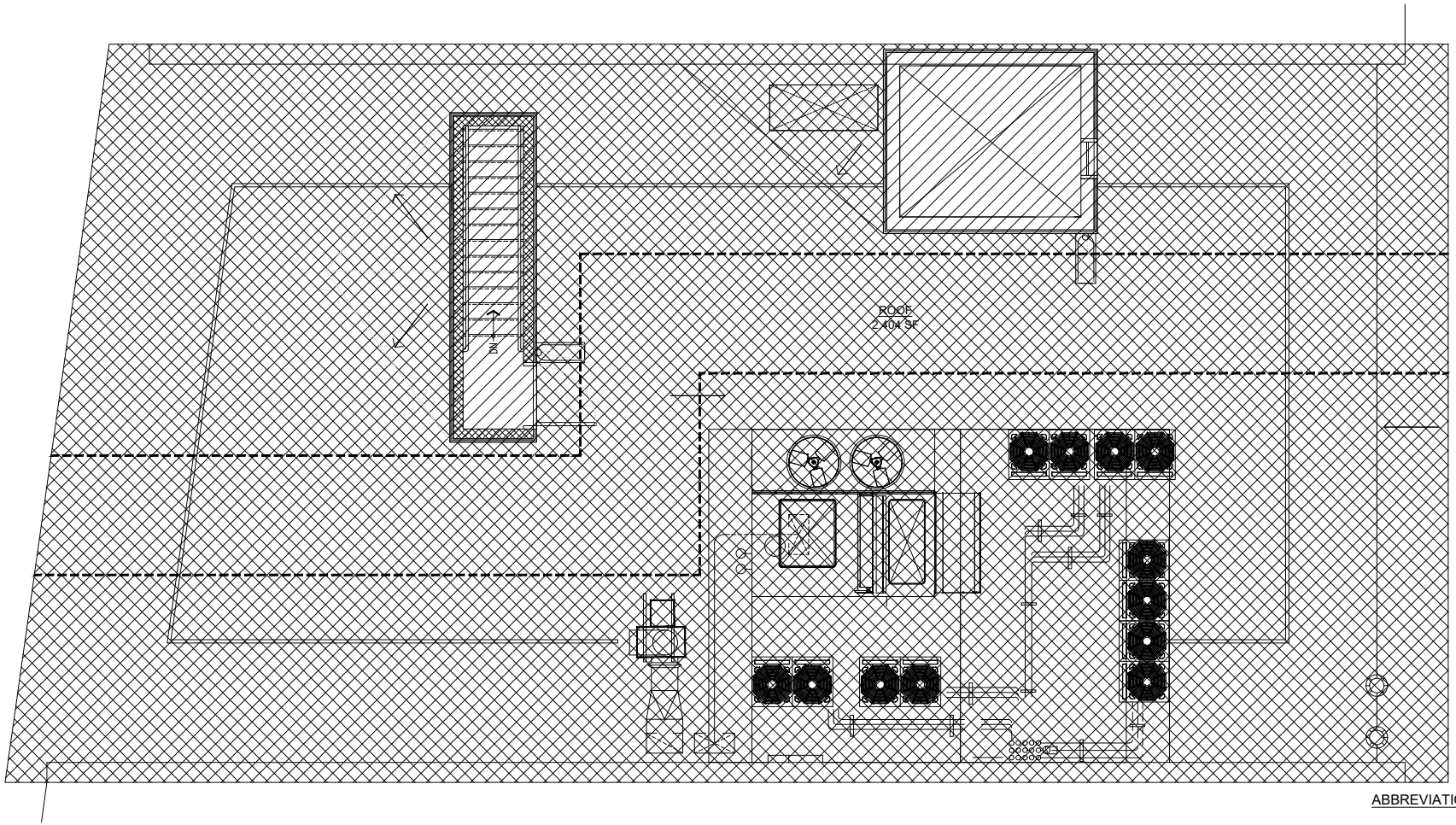

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ROOF PLAN

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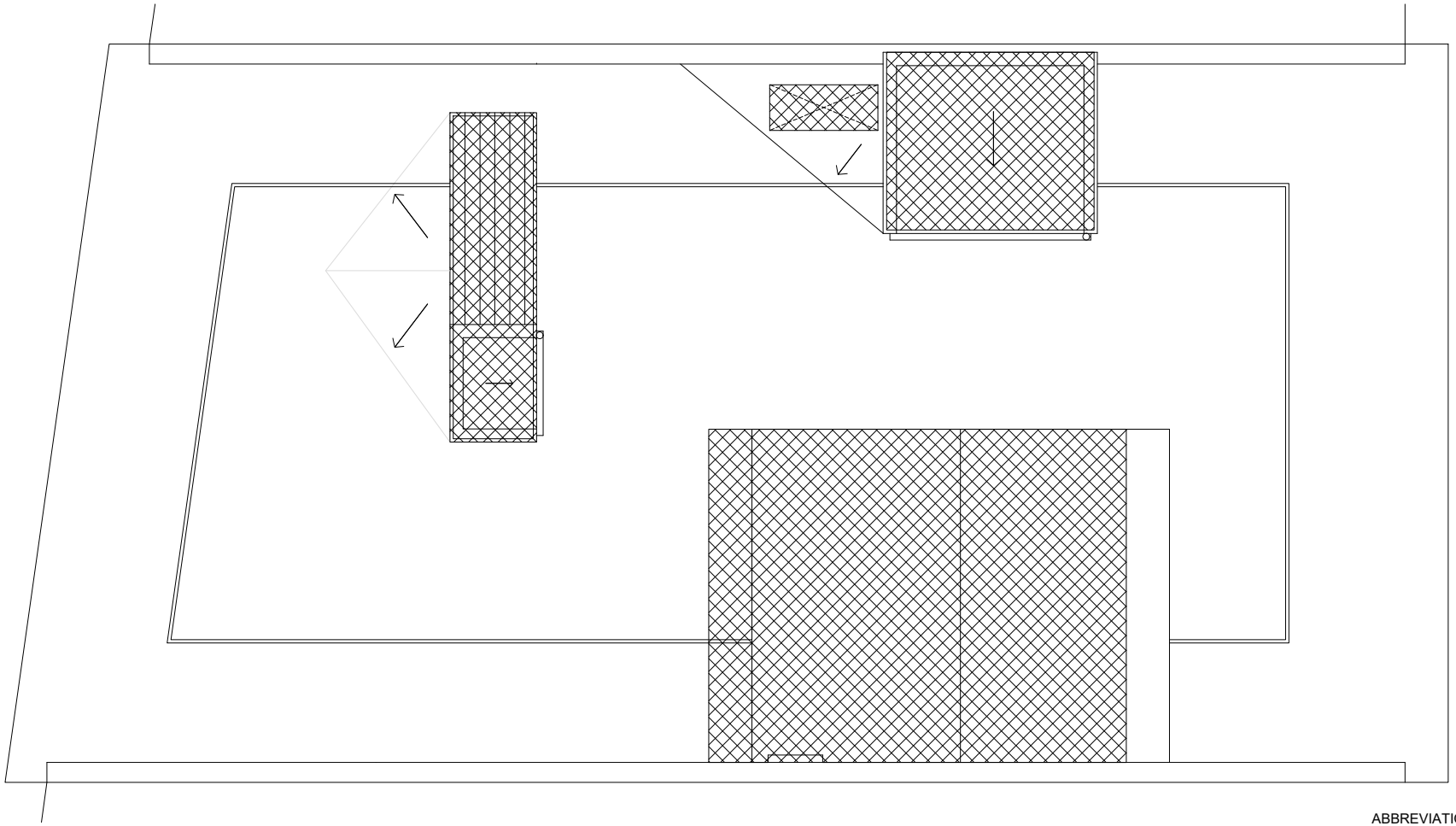

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BULKHEAD PLAN

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EXHIBIT 6

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as 57 Lispenard Street
New York, New York
Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name: THE 57 LISPENARD STREET CONDOMINIUM
57 Lispenard Street
New York, New York 10013

Sponsor: 304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, New York 10019

Date of Declaration: [_____]

Block 210
Lots [____ to _____]
(f/k/a Lot 18)

Borough of Manhattan

When Recorded, Return to:

Kramer Levin Naftalis & Frankel LLP
Attorneys for Sponsor
1177 Avenue of the Americas
New York, New York 10036
212-715-9100
Attention: Jonathan H. Canter, Esq.

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Schedule A — The Land

Schedule B — Description of Units

Schedule C — Condominium By-Laws

DECLARATION

OF

THE 57 LISPENARD STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

304-306 Canal Street LLC, a Delaware limited liability company having an office at c/o Vornado Realty Trust, 888 Seventh Avenue, New York, New York 10019, does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY; BY-LAWS

1.1 Submission of Property. Sponsor hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may be amended from time to time, the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known (subject to the provisions of this Declaration) as "The 57 Lispenard Street Condominium" (the "Condominium").

1.2 Development Rights. All excess air or developmental rights otherwise appurtenant to the Property and not used in connection with the original construction of the Building as described in this Plan, or which may otherwise become available to the Property in the future (collectively, the "Air Rights" or "Development Rights") shall be allocated to and made a part of the Commercial Unit. As a result, unless Air Rights are separately acquired therefor on behalf of the Condominium or a Unit Owner, as the case may be, any future expansion of the Building by the board of managers or of a Unit by any Unit Owner as may otherwise be permitted pursuant to any applicable laws and otherwise, may not be possible or may be limited. Further, as a result of such reservation by the Commercial Unit Owner, such Commercial Unit Owner may transfer or sell such Air Rights to the owner(s) of adjoining properties and in such case such properties may be increased as a result of such transfer or sale and/or merged into a zoning lot pursuant to the terms of a zoning lot development agreement or similar agreement or instrument (a "ZLDA").

1.3 By-Laws. Annexed to this Declaration as Schedule C and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time in accordance with the provisions hereof and thereof governing amendments, are hereinafter

referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the City, County and State of New York. The Land is owned by Sponsor in fee simple absolute and has an area of approximately 2,292 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is a building (the "Building") containing, in addition to lobbies, hallways, corridors and other service, utility and mechanical areas: (i) four (4) residential units (collectively, the " Residential Units" and individually, a "Residential Unit"), located within the Building, on Floors 2 through 5; and (ii) one Commercial Unit (the "Commercial Unit") comprised of the areas designated as "Commercial Unit" on the Floor Plans, located on portions of the Cellar level and First (Ground) Floor of the Building.

3.1.1 The owner of a Residential Unit is herein called a "Residential Unit Owner" and the owners of all Residential Units are herein collectively called the "Residential Unit Owners".

3.1.2 The owner of the Commercial Unit is herein called the "Commercial Unit Owner." The Residential Units and the Commercial Unit are sometimes hereinafter referred to as the "Units" and individually as a "Unit."

3.2 The street address for the Residential Units is 57 Lispenard Street, New York, New York 10013. The Commercial Unit also has an address of 304 Canal Street.

ARTICLE 4

THE BUILDING

The Property encompasses one (1) five-story building with a cellar below grade. The Building was constructed as a II-B Unprotected – Non-combustible Building. Existing exterior load bearing walls are constructed of brick masonry. Interior Walls: 3-5/8" metal studs with 3" batt insulation. 5/8" fire code drywall assembly.

ARTICLE 5

THE UNITS

5.1 The location of each Unit is shown on and is governed by the floor plans of the Building certified by [_____], intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration (as the same may be amended from time to time, the "Floor Plans"). Schedule B annexed hereto and made a part hereof sets forth the following supplementary data with respect to each Unit necessary for the further proper identification thereof: Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of bedrooms and bathroom in the Residential Units; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the proportionate undivided interest in the fee simple absolute (expressed as a percentage) and in the Common Elements appurtenant to such Unit.

5.2 Each Unit includes, and each Unit Owner shall be responsible for (maintaining, insuring, repairing, replacing, etc.) Vestibules (defined herein) appurtenant to each Residential Unit and Mechanical Rooms (defined herein) located within the Units (all as identified on the Floor Plans), interior doors and hardware, hallways serving a Unit exclusively, the interior walls, partitions, sheetrock and plaster wall covering, wood or other floors (including all underlayerments above the concrete slab) and floor coverings and ceilings (including all materials beneath the concrete slab), affixed, attached or appurtenant to such Unit, smoke and carbon monoxide detectors, all window blinds or draperies and associated hardware, all plumbing, gas and heating fixtures, equipment and appliances, including without limitation, in respect of the Residential Units, the variable refrigerant flow (VRF) system and condenser and all related facilities serving such Residential Unit's system) and, as may be affixed, attached or appurtenant to such Residential Unit and serving such Unit exclusively (wherever such VRF components are located in the Building, including without limitation, refrigerant risers running from each Residential Unit through the Building to the rooftop condensers serving same) and refrigerators, freezers, microwaves, dishwashers, ovens, stoves or stovetops, laundry washers and dryers, heating, ventilating and air-conditioning units (including the fans inside the units and the condensing units located on the roof of the Building that exclusively serves such Unit (together with any associated piping, control wiring, power and electricity between the Unit and condensing unit located on the roof), heating equipment, ranges and other appliances, electrical panel boxes, lighting and electrical fixtures and switches and any special equipment, fixtures or facilities affixed, attached or appurtenant to the Unit to the extent located within a Unit from the electrical panel box (including electrical branch wiring but excluding electrical service risers) and serving or benefiting only that Unit, sinks, bathtubs, showers, waterclosets, medicine cabinets and vanities, built-in cabinetry of any type, backsplashes in kitchen and bathrooms, kitchen and bath cabinets, countertops in kitchens and bathrooms, wall accessories, trim and moldings. Each Residential Unit Owner shall also be responsible for all other facilities as may be affixed, attached or appurtenant to such Unit. Plumbing, gas and heating fixtures and equipment as used in this paragraph shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or

other pipes, conduits, flues or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (ii) any special equipment, fixtures of facilities (as defined in the Declaration affixed to the Unit. The Commercial Unit shall also include all windows and storefronts appurtenant to the Commercial Unit and Commercial Unit Signage. "Vestibules" refers to the areas appurtenant to each Residential Unit, as identified as "vestibules" on the Floor Plans.

ARTICLE 6

DIMENSIONS OF UNITS; FLOOR AREA

Each Unit consists of the area measured horizontally on each of one or more floors from the exterior side of the exterior walls of the Building to the midpoint of the interior walls and partitions separating the Unit from corridors, stairways, elevator shafts, other General Common Elements, Limited Common Elements or other Units, or to the opposite exterior side of the exterior walls of the Building, as the case may be. Columns and mechanical pipes and shafts and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Units. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub floor materials) to the underside of the floor slab above. In any instance where a floor of a Unit is above or below a floor of the same Unit, the concrete floor slab between such floors are a part of such Unit. The floor area occupied by any Common Elements within a Unit (such as the Building's façade and exterior walls, vents, chase walls or areas, conduits, shafts, pipes and any structural components) have been included in the computation of the floor area of such Unit, but such Common Elements shall not be considered part of that Unit.

ARTICLE 7

COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, the foundations, roofs and supports of the Building and those rooms, areas, corridors, spaces and all other parts of the Building and all apparatus, installations, systems, equipment and facilities* located or

* As used herein, the words "facility" and "facilities" include, but are not limited to, the following fixtures, apparatus, equipment, personalty, appurtenances, installations, systems and other items (grouped more or less functionally) which are set forth only for the purpose of illustrating the broad scope of those terms: convector, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, induction unit, fan coil unit, motor, pump, control, tank or tank assembly, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, sign, telephone, meter, meter assembly, scaffolding, piping, line duct, conduit,

contained thereon or therein for the common use of the Units and the Unit Owners (except to the extent designated as part of a Unit, the Residential Common Elements or Residential Limited Common Elements) or which are necessary or convenient for the existence, maintenance, operation or safety of the Property. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and Residential Limited Common Elements, all of which are described in Sections 7.2 through 7.3 of this Article 7, respectively, subject in all events however to any specific designation for any portion of the Property as may be reflected on the Floor Plans (whether or not consistent with the general descriptions contained in this Article).

7.2 General Common Elements. The "General Common Elements" include those portions of the Building that are designated as "General Common Elements" on the Floor Plans and, to the extent not specifically identified as part of the General Common Elements on the Floor Plans, all other parts of the Property (other than those areas and items specifically identified as part of a Unit and/or the Residential Common Elements or Residential Limited Common Elements) the common use of which is necessary or convenient for the existence, maintenance, operation or safety of the Property. More specifically, the General Common Elements consist of the following (whether or not covered by the preceding sentence):

7.2.1 The Land, together with all easements, rights and privileges appurtenant thereto (except as otherwise expressly provided in this Declaration).

7.2.2 All structural elements, foundations, exterior façade/exterior walls foundation walls, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs (but not flooring material), roofs and ceilings (when they contain Common Element mechanical systems and are made of two hour fire rated construction).

7.2.3 All structures on any roof of the building, which benefit all or any combination of the Residential Units and the Commercial Unit, if any.

7.2.4 The fire escapes located along the exterior wall of the Building.

7.2.5 All halls, passages and corridors, storage rooms, housekeeping areas, mechanical and other utility rooms, all fire staircases, landings, stairs, areas and spaces (including their respective floors, ceilings and enclosing walls) located in the Building, serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.6 Ventilation supply system consisting of pumps, motors, ductwork, fans and controls, steam and condensate return piping serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

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cable, riser, main, shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, incinerator, canopy, closet, cabinet, door, railing, coping, step, furniture, mirror, furnishing, appurtenance, urn, carpeting, tile, marble or other floor covering, drapery, shade or other window covering, wallpaper or other wall covering, tree, shrubbery, flower or other plantings.

7.2.7 Sub-slab depressurization system.

7.2.8 The steel platform located at the entryway of the Units at the Lispenard Street entrance of the Building.

7.2.9 Hot water and chilled or condenser water systems serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.10 All enclosing walls and doors and all mechanical equipment and associated piping and controls and all utilities and mechanical and electrical transfers and equipment serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.11 All electrical risers, feeders, lines and equipment, including incoming service, main switchgear and distribution panelboards, conduits, wires, meters, transformers and panelboards serving or benefiting any combination of the Residential Units and the Commercial Unit, excluding, however, all such items located within a Unit and serving only that Unit (such as, but without limitation a VRF system exclusively serving a Residential Unit along with the facilities serving same, wherever located).

7.2.12 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot and chilled water (including pumps, valves, pressure reducers, meters and water heaters and chillers), serving or benefiting any combination of the Residential Units and the Commercial Unit, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.13 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), serving or benefiting any combination of the Residential Units and the Commercial Unit, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.14 All electric service rooms, the pump room, boiler rooms, the IT room, electric gas and water meter rooms, generator rooms, compactor room, electrical vault (if any) and all mechanical equipment serving same, washroom, janitor room and other service, mechanical and utility rooms or storage rooms serving or benefiting all or any combination of the Residential Units and the Commercial Unit.

7.2.15 All other parts, systems, installations and facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of all or any combination of the Residential Units and the Commercial Unit.

7.2.16 All other parts of the Property either existing for the common use of all or any combination of the Residential Units and the Commercial Unit or Unit Owners or that serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Property or all or any combination of the Residential Units and the Commercial Unit.

7.2.17 All egress stairs and corridors; and the exterior space at the Building entries consisting of any stairs, railings, lighting and other electrical equipment, marquees, canopies and ornamental fixtures, planters and other freestanding structures; excluding, in all instances, such of these as only serve the Residential Units or Residential Unit Owners, and excluding such of these as are located within the Commercial Unit.

7.2.18 Enclosing walls and doors surrounding mechanical equipment; all utilities and mechanical and electrical transfers and equipment used for all or any combination of the Residential Units and the Commercial Unit.

7.2.19 With respect to any roof of the building, egress stairs servicing all or any combination of the Residential Units and the Commercial Unit and their enclosing walls and doors and all mechanical equipment serving same.

7.2.20 Smoke detection, alarm system and sprinkler system; telephone/data system and cable television system existing for the common use of any combination of the Residential Units and the Commercial Unit, except as located within an individual Unit.

7.2.21 All security monitors and equipment and other security facilities serving or benefiting all or any combination of the Residential Units and the Commercial Unit, if any.

7.2.22 The installations, equipment, apparatus, facilities, interior walls, doors, partitions, floors, ceilings, hallways, lobbies, corridors and vestibules that enclose or service any one of the Units but are not part of such Unit (the windows and storefronts of the Commercial Unit, however, shall be deemed to be a part of such Unit and shall not constitute a General Common Element), which are not included as part of any other Common Element or Unit and benefit a combination of the Residential Units and the Commercial Unit.

7.2.23 Whether or not specifically identified as part of the General Common Elements (or identified at all) on the Floor Plans, all other parts of the Property and all Equipment existing in the Building or on the Property (other than those areas and items specifically identified on the Floor Plans as part of a Unit, Residential Common Elements or Residential Limited Common Element) the common use of and/or benefit from which is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.3 Residential Common Elements. The Residential Common Elements consist of those portions of the Property, certain of which are designated on the Floor Plans as Residential Common Elements; and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or exclusively benefit all or a combination of the Residential Units or the Residential Unit Owners whether or not designated as Residential Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers).

7.3.1 To the extent shown on the Floor Plans as Residential Common Elements, the residential lobby and entrance located on Lispenard Street and rooms located on the Cellar level.

7.3.2 The passenger elevator serving all of the Residential Units (the "Residential Passenger Elevator") shown on the Floor Plans as a Residential Common Element, together with the elevator cab, overrun, bulkhead(s), shaft, pit, tank(s), pump(s), motor(s), fan(s), compressor(s), control and other related equipment in connection therewith, but excluding the walls of the elevator shaft (which are General Common Elements).

7.3.3 All other facilities, parts, systems, installations equipment existing in the Building or on the Property which exclusively serves or exclusively benefits all or a combination of the Residential Units or the Residential Unit Owners, or are necessary or convenient for the existence, maintenance, operation or safety of all or any combination of the Residential Units.

7.3.4 All windows appurtenant to or otherwise serving or benefiting only the Residential Units and the Residential Common Elements.

7.3.5 The trash and recycling room located in the Cellar Level.

7.3.6 All security monitors and equipment and other security facilities, if any, and other monitoring equipment or two-way communication systems exclusively serving or benefiting all or any combination of the Residential Units, including all facilities serving a "virtual doorman" or similar technology.

7.3.7 All structures on any roof of the building, which benefit all or any combination of the Residential Units, if any.

7.4 Residential Limited Common Elements. The "Residential Limited Common Elements" consist of those portions of the Property designated on the Floor Plans as Residential Limited Common Elements; and also those Common Elements (other than vertical shaftways and penetrations) which exclusively serve or exclusively benefit one Residential Unit or Residential Unit Owner whether or not designated as Residential Limited Common Elements (or designated at all) on the Floor Plans (but excluding any items therein or in the Building which are not part of the Property, including, without limitation, any equipment, wiring and devices owned by telecom providers). The Residential Limited Common Elements include, without limitation, kitchen exhaust vents.

ARTICLE 8

USE OF UNITS AND COMMON AREA

8.1 Use of Units.

8.1.1 General. As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws or by applicable law or court order expressly provided, Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation as defined in the Zoning Resolution. Residential Units may be owned or leased by an individual, corporation, partnership limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments). Residential Units may only be occupied by (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director,

shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership, which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company, which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (i) through (vi) above: (A) the individual, designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of or in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit including, without limitation, as part of a travel club, "home share" platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, or any enterprise having similar attributes; and (vii) family members, domestic partners, domestic employees and/or non-paying guests of any of the foregoing. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations. Notwithstanding the foregoing, Sponsor may use any Unsold Residential Unit for any lawful purpose and may lease a Residential Unit for any term, which may be for a term than less than one (1) year and on a transient basis

8.1.2 Unsold Units. Notwithstanding the foregoing or anything contained herein, in the By-Laws or any Rules and Regulations to the contrary, Sponsor (and its designee) may, without the permission of the Board or any other Unit Owner use or grant permission for the use of any Unsold Unit for any purpose, including but not limited to, use as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject to compliance with applicable Legal Requirements. As used in the Condominium Documents, "Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or any of their respective designees as the holder of one or more Unsold Unit(s); any Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of its principals is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage. The term "Condominium Documents" shall refer to the Declaration and By-Laws.

8.2 The Commercial Unit may be operated for any legally permitted purpose, including, without limitation, retail, hotel, restaurant, banking, commercial or office purposes. The Commercial Unit, or any portion thereof, may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. No income derived from any use of the Commercial Unit will constitute income to the Board or any other Unit Owner.

8.4 Except as otherwise provided in the By-Laws: (i) the Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited; and (ii) Vestibules and Mechanical Rooms may be used only for purposes commensurate with the uses permitted of the Units to which they are appurtenant. Personal property, equipment, furniture or furnishings or other installations (collectively, the "Installations") are expressly precluded from being placed in such Vestibules.

8.5 Subject to any easements (exclusive or otherwise) and/or rights of access provided in this Declaration with respect to the Common Elements, neither the Board nor any Unit Owner shall impede the exercise of or encroach upon the rights of the other Unit Owners or anyone claiming, by, through or under them, including, but not limited to, the occupants of the Units and their respective invitees, to use the same.

8.6 No nuisance shall be allowed in the Residential Units nor shall any use or practice be allowed in the Residential Units which interferes with the peaceful possession or proper use thereof by the Unit Owners or the occupants of their respective Units. No improper, offensive or unlawful use shall be made of the Property or any portion thereof. All Legal Requirements relating to any portion of the Property shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation pursuant to the By-Laws or this Declaration to maintain or repair such portion of the Property.

8.7 There are fire escapes running up and down the exterior façade of the Building, which are designated as General Common Elements of the Condominium, which the Condominium Board is obligated to maintain in accordance with the terms of the Condominium Documents, in accordance with all applicable law, including any laws or regulations that may be promulgated by the Landmarks Preservation Commission. Unit Owners are not permitted to access, use, alter, decorate or take any actions whatsoever in respect of the fire escapes for any reason whatsoever.

ARTICLE 9

CHANGES IN RESIDENTIAL UNITS

9.1 Residential Units.

9.1.1 Unsold Residential Units. Except to the extent prohibited by applicable Legal Requirements and subject to the By-Laws, Sponsor and its designee and any other owner of an Unsold Residential Unit shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit and/or Common Element from time to time; (b) change the layout of, or number of rooms in, any Unsold Unit; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two (2) or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; (e) change the permitted use of some or all of the Unsold Units; (f) increase the number of Units contained in the Building; and (g) reclassify a Common Element as a Unit and vice versa. Sponsor also reserves the right to convert all or any portion of

a Commercial Unit to Unsold Residential Units and vice versa. None of the foregoing changes will be made unless: (i) such changes are in compliance with Section 339 of the New York Condominium Act, (ii) the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto in writing, and (iii) Sponsor, its designee or such other owner of an Unsold Unit, as the case may be, shall comply with all applicable Laws and shall agree to defend and hold each Board and all other Unit Owners harmless from any liability arising therefrom. Sponsor or such other owner of an Unsold Residential Unit, as the case may be, shall have the right, without the consent of the Board or any other Unit Owner or any mortgagee to amend (and/or cause the Condominium Board to amend) the Declaration, the By-Laws and the Floor Plans and any other documentation to reflect the foregoing changes.

9.1.2 Residential Units Generally. Subject to this Declaration, the By-Laws and compliance with all applicable Laws, the Unit Owner(s) of one (1) or more Residential Units (other than Unsold Unit(s)), with the consent of the Board and (for so long as there remain any Unsold Units) Sponsor, shall have such rights (and be subject to the same limitations) with respect to changing, combining and/or subdividing such Residential Unit(s) as are provided above.

9.2 Consents. The provisions of this Article 9 of the Declaration may not be added to, amended, modified or deleted without the prior written consent of Sponsor or the owner of any Unsold Unit(s), as the case may be, or the designee of any of the foregoing. Wherever the consent, approval or satisfaction of Declarant or Sponsor, is required under this Declaration or the By-Laws, such consent, approval or satisfaction of such party shall not be required (unless otherwise required under the Condominium Documents) when such party no longer owns any Unsold Units.

9.3 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 9, no reapportionment of the interests in the Common Elements appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board, a written certification stating, in each case with respect to the Unit(s) in question that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1)(iv) of the Condominium Act. The certification referred to herein shall be delivered: (a) in the case of any Unsold Unit(s), at the election of Sponsor, by Sponsor or the managing agent, or any other person reasonably acceptable to the applicable Boards; and (b) in the case of any other Residential Unit(s), by the managing agent, or any other person reasonably acceptable to the applicable Board(s).

ARTICLE 10

CHANGES BY THE COMMERCIAL UNIT OWNER

10.1 Except to the extent prohibited by law, the Commercial Unit Owner shall have the right, without the vote or consent of the Board, the Managing Agent or any other Unit Owner to: (a) mortgage or otherwise hypothecate its Unit; (b) decorate or make alterations, additions or improvements, in, to and upon its Unit (provided, however, that such Commercial Unit Owner, if

other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to such Commercial Unit which would affect the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building); (c) change the layout of, or number of rooms in, the Commercial Unit from time to time; (d) change the size of the Commercial Unit by subdividing the same into any desired number of condominium units (or by combining any units resulting from each such subdivision); and (e) reapportion among the newly created condominium units resulting from any subdivisions (or combination) their percentage interests in the Common Elements, provided such changes are in compliance with Article 9-B, Section 339 of the New York Condominium Act; provided, however, that (1) the percentage interest in the Common Elements of any Unit owned by any other Unit Owner shall not be changed by reason thereof, unless the owner of such Units shall consent thereto, and (2) such Commercial Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall hold the Board and all other Unit Owners harmless from any liability arising from any such decoration, alteration, addition, improvement, change, designation or reapportionment. The provisions of this Article 10.1 may not be added to, amended, modified or deleted without the prior written consent of the Commercial Unit Owner.

10.2 The Commercial Unit Owner shall have the right with regard to its Unit to amend the Declaration and the Floor Plans, as applicable, in order to reflect changes as set forth above in paragraph 10.1, or to cause the Board to do so. If the Commercial Unit is subdivided (or if any units resulting from such subdivision are thereafter combined), the owner of each Unit resulting from a subdivision or combination will generally have all of the rights (without the consent of the Board or other Unit Owners) set forth above in paragraph 10.1, described as pertaining to the Unit Owner of the original Commercial Unit.

10.3 Certification Regarding Common Interest Reallocation. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to the Commercial Unit shall be made unless there is first delivered to the Condominium Board a written certification stating, in each case with respect to the Unit(s) in question, that the percentage interests of the affected Unit(s) in the Common Elements, immediately after such reapportionment, are consistent with the terms of this Declaration and in compliance with the terms of Section 339-i(1)(iv) of the Condominium Act. The certification referred to herein shall be executed and delivered by all the Commercial Unit Owner or any other person reasonably acceptable to the Condominium Board.

ARTICLE 11

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium or the Board. A copy of any process received on behalf of the Condominium or the Board should be mailed to c/o Vornado Realty Trust, 888 Seventh Avenue, New York, NY 10019, Attn: President of the Board.

ARTICLE 12

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit has been determined, pursuant to Section 339-i(1)(iv) of the Condominium Act. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit. The aggregate Common Interests of all of the Units equals 100%.

ARTICLE 13

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, as the case may be, or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand (or during any period in which it is being rebuilt or restored, in accordance with the By-Laws, following any such fire or other casualty, taking or eminent domain proceeding); provided that in the case of any such encroachment described in subparagraph (c)(ii) or (iii) above, such encroachment does not unreasonably interfere with the use of any of the Units for their permitted purposes and/or the use of the Common Elements for their intended purposes.

ARTICLE 14

FACILITIES AND ALL OTHER COMMON ELEMENTS

14.1 Except as may otherwise be expressly set forth herein or in the By-Laws: (i) each Unit Owner shall have, and is hereby granted, in common with all other Unit Owners, an easement for access to and use of any and all General Common Elements located anywhere on the Property without hindering the exercise of or encroaching upon the rights of the other Unit Owners in respect of such easement; and (ii) each Residential Unit Owner shall have, and is hereby granted, in common with all other Residential Unit Owners, an easement to use any and all Residential Common Elements, and any facilities located therein (subject to any easements or other exclusive rights of use, etc., provided in this Declaration or the By-Laws) without hindering the exercise of or encroaching upon the rights of the other Residential Unit Owners in

respect of such easement. The Units shall be subject to the foregoing easements, including without limitation, the portion of the Commercial Unit located on the Cellar level.

14.2 Each Unit and the Common Elements shall be subject to an easement in favor of the Board, on behalf of all Unit Owners, to access, use, operate, maintain, repair, alter, rebuild, restore and replace all Common Elements located in such Unit, Common Element or elsewhere on the Property. In addition, Sponsor (or its designee) and the Board shall have the right to erect scaffolding or protective barricades in or about the Building in connection with maintenance and repairs of the Building and its Common Elements. Notwithstanding anything contained herein to the contrary, except as may be required under Legal Requirements or in the event of an emergency (as hereinafter defined): except that (i) any scaffolding or protective barricades erected or maintained by the Board pursuant to the terms hereof shall be, at the request of the Commercial Unit Owner, at least two (2) stories high; adequately lighted and otherwise erected and maintained so as to provide clear visibility to the Commercial Unit's storefront and so as not to unreasonably obstruct or impede access to the Commercial Unit; (ii) the Commercial Unit Owner shall have the right to install and maintain, at its sole cost and expense, reasonable temporary signage on any scaffolding or protective barricades in front of the Commercial Unit consistent with the Commercial Unit Owner's signage rights otherwise set forth herein, provided that such signage or the installation thereof shall not unreasonably interfere with Sponsor's or the Board's ability to install and maintain temporary signage on such scaffolding or protective barricades consistent with such parties' signage rights otherwise set forth herein or Sponsor's or the Board's work being performed at the Building; (iii) all work requiring scaffolding and/or protective barricades in front of the Commercial Unit shall be diligently pursued to completion (which shall not require the use of overtime or premium labor) and the scaffolding and/or protective barricades in front of the Commercial Unit shall be removed as promptly as practicable; and (iv) the Board shall notify the Commercial Unit Owner at least forty-five (45) days in advance of any work requiring the erection of scaffolding and/or protective barricades in front of the Commercial Unit, except that, in the case of an emergency, such advance notification shall be reasonable under the circumstances.

14.3 The Board and any managing agent, manager and other persons authorized by the Board shall have a right of access to and within each Unit and any Common Element (and such is hereby granted) to inspect the same or remove violations of governmental laws or regulations against any part of the Property; to cure defaults by the owner of such Unit under the By-Laws, this Declaration or the Rules of Regulations; to perform maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical systems or other portions of the Common Elements (including, without limitation, all Residential Common Elements) contained therein or elsewhere in the Property, including without limitation, correcting any conditions originating in any Unit and threatening another Unit or any Common Element; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building).

14.4 Without limiting the generality of the foregoing, within the space originally constructed as a laundry closet of each Residential Unit there is mechanical equipment within the walls accessible by certain panels therein. The Board (and such other persons it so authorizes) will require access to these areas in connection with the maintenance, repairs and operations to be made to the Building. Residential Unit Owners are not permitted to close off or block in any manner access to these access panels. In the case that a Residential Unit Owner does so, the Board shall have the right, at the Residential Unit Owner's sole cost and expense, and without any liability, to remove any installations made and re-establish access as it deems necessary and appropriate

ARTICLE 15

EASEMENTS

15.1 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit or the Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units or Common Elements for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.

15.2 Each Residential Unit Owner shall have an easement for the exclusive use of a Residential Limited Common Element appurtenant to such Residential Unit, which use shall be subject to the terms and conditions of this Declaration and the By-Laws. Each Residential Limited Common Element (and the Residential Unit to which such Residential Limited Common Element is appurtenant) shall be subject to the easement(s) in favor of Sponsor and the Board as set forth herein.

15.3 Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress to and from its Unit, and, to the extent reasonably necessary, for the use of any General Common Element. The Units shall each be subject to such easement.

15.4 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit, the General Common Elements and/or the Residential Common Elements or any Residential Limited Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements; provided that access to any Unit or the Common Elements in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the

tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Such entry shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of an emergency.

15.5 Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all the other Units and the Common Elements.

15.6 Sponsor (or its designee) and the Board with respect to the Property and the Commercial Unit Owner with respect to the Commercial Unit, shall each have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property or the Commercial Unit, as the case may be, as Sponsor (or its designee) or the Board, or the Commercial Unit Owner, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of any of the other Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of any of the other Units for their permitted purposes.

15.7 Sponsor (or its designee) and its successors and assigns, shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs, notices, advertisements, canopies, flags or awnings or other protrusions, devices, illuminations or decorative elements (a "Sign," "Signs," or "Signage") on or from the Property, including without limitation, on the exterior of the walls of the Building, for the purposes of advertising the sale or lease of any Unsold Unit, the sale or lease of all or any portion of the Commercial Unit(s), and/or the operation of any business of a tenant or occupant of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be, or for any other lawful purpose. In addition, Sponsor and its designee(s) shall have the right, until the tenth (10th) anniversary of the First Closing, to use, without charge, portions of the Building, including the Common Elements, for exhibitions, events, promotional functions (e.g., with respect to any sales programs for Unsold Units) or otherwise.

15.8 To the extent permitted by applicable law, the Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, either within or in the immediate location of the Commercial Unit, one or more Signs for advertising the operation of business of the Commercial Unit as well as the sale or lease of its Unit. Such Commercial Unit Owner and any tenant of space in such Unit shall comply with all laws, orders, rules and regulations of the governmental authorities, including the Landmarks Preservation Commission, if applicable, having jurisdiction thereof, including zoning laws, building codes and as required by insurance

underwriters. The Commercial Unit Owner or its tenant shall obtain and pay for all permits required for such Signs and/or any necessary renewal fees related thereto.

15.9 The Commercial Unit Owner and any tenant or tenants thereof pursuant to the terms of any lease pertaining to the Commercial Unit, shall have an easement, without charge or limitation, to use all or any portion of the sidewalks, including, but not limited to, any plantings and/or planters located thereon, which are directly in front of the Commercial Unit for any lawful purpose and in conjunction with the use of the Commercial Unit.

15.10 The Commercial Unit Owner and any tenant or tenants (or subtenant(s)) of the Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have an easement, to use the Residential Passenger Elevator as a means of access (a) to and from the First Floor to the Cellar only in the case that transportation of one or more persons is necessary to comply with ADA requirements and for no other purpose and (b) to the 5th Floor to the stairs that lead to the roof, for purposes of transporting materials to the roof, if any equipment thereon serves the Commercial Unit and for otherwise accessing the roof in accordance with its rights hereunder and under the By-Laws.

15.11 Subject to such rules and regulations as may be promulgated by the Condominium Board from time to time, each Residential Unit Owner shall have access to and shall maintain the VRF condenser serving its Residential Unit, which is located on the roof of the Building.

15.12 Each Unit Owner (except as otherwise set forth below) grants an easement over its Unit and the Common Elements (including, without limitation, its appurtenant Limited Common Elements), and the Board grants an easement over and through the General Common Elements: (a) in the case of the Unit Owners, to the Board for the purpose of (and to the extent reasonably necessary for) maintaining and repairing, altering, preventing or minimizing damage to the Common Elements and causing same to be in compliance with Laws and Insurance Requirements such granting Unit Owner's Unit, the Limited Common Elements, if any, appurtenant to its Unit; (b) in the case of the Board and the Unit Owners, to each Unit Owner, in common with each other Unit Owner, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) maintaining, repairing, altering, preventing or minimizing damage to and causing to be in compliance with Laws and Insurance Requirements any portions of the grantee Unit Owner's Unit (including without limitation the VRF heating and cooling system) and any appurtenant Common Elements; (c) to each Unit Owner, and to the Board, in common with each other, for the purpose of (but only in the absence of a commercially practicable alternative and only to the extent necessary for) installing, allowing to remain (and using for their respective intended purposes), maintaining, repairing, altering, preventing or minimizing damage to the Common Elements and causing same to be in compliance with Laws and Insurance Requirements any Common Elements or other facilities located in or only readily accessible through such granting Unit Owner's Unit or Common Elements, if any, which serve other Units (including, without limitation, reading, maintaining or replacing utility meters relating to the Common Elements, such Unit or any other Unit in the Building); (d) to the Board (only to the extent permitted under the other provisions of the Condominium Documents) for the purpose of (and to the extent reasonably necessary for) preventing or minimizing damage to such Unit or to any other portion of the Property; (e) to the Board for the purpose of (and only to the extent reasonably necessary for) making inspections of,

or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; and/or (f) to the Board for the purpose of (and only to the extent reasonably necessary for) curing defaults hereunder or under the By-Laws, or correcting any conditions originating in such Unit Owner's Unit or Common Elements or Limited Common Elements and threatening the health, safety and welfare of the occupants of, or the property located within, another Unit or all or any part of the Common Elements.

15.13 Any grant of an easement "on", "over", "across" or "through" a given area shall be deemed to mean "on, over, across, through, and upon" such area, unless the context otherwise requires.

15.14 Sponsor and/or its designees and (and its respective successors and assigns) shall have an easement for so long as the Condominium shall remain in existence: (i) to erect, use, lease, maintain, repair, replace and operate a platform and other facilities for the purpose of erecting, using, leasing, licensing, maintaining, repairing, replacing and operating antennae, satellite dishes and other communications equipment on any part of any roof of the Building that is not occupied as of the date hereof for any other Building installations or designated as a Residential Limited Common Element; and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations or designated as a Residential Limited Common Element, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of, or charge by, the board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor or under any lease, license or other right of use granted by Sponsor with respect to any roof or the aforesaid mechanical equipment room shall be the obligation solely of Sponsor, and not of the Condominium and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, Sponsor and its designee (and their respective successors and assigns) and the respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Residential Units, the Commercial Unit and Common Elements shall each be subject to such easement. The word "facility" or "facilities" as used in this Section 15.14 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits and the like.

15.15 The Commercial Unit Owner and/or its designee (and their respective successors and assigns) shall have, and the Common Elements shall be subject to, an easement to install, erect, use, license, lease, maintain, repair, replace, improve and operate antennae, satellite dishes and other communications equipment and/or other systems and facilities that serve the Commercial Unit (including without limitation, ventilation systems) on a portion of the roof that is not occupied by any Building equipment or installations, solely in connection with, and in furtherance of, the use and operation of the Commercial Unit. In connection with the foregoing, the Commercial Unit Owner shall have, and the Common Elements shall be subject to, an easement to run facilities through the Common Elements to the roof to service any of the

installations of the Commercial Unit Owner on the roof. The word "facilities" as used in this Section 15.12 shall be deemed to include fiber optic cable and other communications liens, wires, cables and conduits.

15.16 Sponsor, Unit Owners and/or the Condominium Board shall have an easement through the portions of the Commercial Unit located on the Cellar level of the Building to access Common Elements, including telecommunications equipment and other facilities as well as the elevator pit serving the Residential Units.

15.17 Sponsor and the Condominium Board shall have an easement in and to the Residential Units and to the Mechanical Rooms located therein, in order to access facilities, equipment and conduits accessible from within the Mechanical Rooms, as part of the performance of maintenance, Repairs and Alterations to the Building and systems and utilities serving same and/or in furtherance of otherwise exercising its rights and/or fulfilling its obligations under the Condominium Documents, and, in the case of Sponsor, the Plan..

15.18 Right of Access for Operation, Emergency Repairs, Damage Prevention. The Board and each Unit Owner grants a right of access over, as applicable, the Common Elements and its Unit to, in each case, each of Sponsor (with respect to all aspects of the Property) and the Commercial Unit Owner (with respect to its Commercial Unit) as shall be necessary in each case for the purpose of (a) performing such party's construction and fit-out work to their respective Unit(s); or (b) satisfying Sponsor's obligations relating to (i) post-closing work pursuant to a Residential Unit or Commercial Unit Agreement. For the avoidance of doubt, Sponsor's access rights under this Section 15.16 shall continue notwithstanding that no Unsold Residential Units remain. Following any material occupancy of the grantor Board's Common Elements or Unit Owner's Unit (or applicable exclusive Common Elements), the exercise by any person of the rights of access provided in this Section with respect to such portion(s) of the Property shall be subject to the Access Conduct Standards (defined below).

15.19 Access Conduct Standards. The right of access granted pursuant to this Article 15 and any easement or right of access granted pursuant to any other provisions of the Condominium Documents which expressly require compliance with the "Access Conduct Standards", i.e., the standards set forth in this Section, shall be exercised:

(a) upon at least one (1) day's prior notice, which notice shall specify, in reasonable detail, the purpose and contemplated extent, location and duration of such exercise;

(b) to the extent reasonably possible, in such a manner as will not unreasonably interfere with: (i) the conduct of business of the Occupants of the Commercial Unit; or (ii) the use of the Residential Units for their permitted purposes;

(c) subject to the requirement that the person exercising such right of access or easement shall be liable for any and all physical damage caused thereby and shall indemnify and hold the affected Board(s), their managing agents, and the affected Unit Owner(s) and Occupants (as the case may be) harmless from and against all costs resulting from, arising out of, or in any way connected to such exercise; and

(d) in compliance with the Condominium Documents (including, without limitation, the provisions hereof and thereof regarding the removal of mechanics' liens and violations), all Laws (including, without limitation, those regarding the licensing of contractors) and all Insurance Requirements.

15.20 Except as may otherwise be set forth in this Declaration, any easement created or granted hereunder shall be perpetual and irrevocable for so long as the Condominium shall remain in existence.

ARTICLE 16

POWER OF ATTORNEY

16.1 Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) subject to Article 8.2 of the By-Laws, to acquire or lease on behalf of all Unit Owners any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by the Board in its reasonable discretion; (b) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same to the Condominium Board; (c) to acquire on behalf of all Unit Owners any Unit, together with its Appurtenant Interests, in connection with the enforcement of the Board's lien for unpaid Common Charges; (d) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as the attorneys-in-fact may determine; and (e) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority (including, without limitation Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board, in its reasonable discretion, deems necessary or appropriate.

16.2 Each Unit Owner shall grant and/or shall hereby be deemed to have granted to Sponsor a power of attorney, coupled with an interest with power of substitution in the name of its designee (corporate or otherwise) to amend this Declaration and to effectuate the rights granted to Sponsor or the Commercial Unit Owner under this Declaration, the By-Laws and the Offering Plan. The foregoing shall include, but not be limited to, a power of attorney in favor of Sponsor, coupled with an interest with power of substitution in the name of its designee (corporate or otherwise), to execute amendments to the Condominium Documents or acquire any

permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements or, including in order to obtain a permanent certificate of occupancy, or, if applicable, to obtain an amended certificate of occupancy therefor or for the Building or any portion thereof, or any of said documents when required (i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Sponsor in accordance with this Declaration; or (ii) by: (1) a Permitted Mortgagee designated by Sponsor to make a mortgage loan secured by a mortgage on any Unsold Unit, (2) any governmental agency having regulatory jurisdiction over the Condominium, or (3) any title insurance company selected by Sponsor to insure title to any Unsold Unit; and to consent on behalf of each Unit Owner and Board and all mortgagees, and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Commercial Unit Owner, or its successors or assigns, all or any portion of the Development Rights. For the avoidance of doubt, Sponsor's rights under this Section 16.2 shall continue notwithstanding that no Unsold Residential Units remain.

16.3 Each Unit Owner shall grant and/or shall hereby be deemed to have granted to the Commercial Unit Owner, as its true and lawful attorney-in-fact for such Unit Owner, coupled with an interest, with power of substitution in the name of its designee (corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents, then in effect, to execute an amendment to any of the Condominium Documents and to consent on behalf of such Unit Owner, other Unit Owners and Board and all mortgagees, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Unit is located, with any other tax lots to form a single zoning lot for the purpose of transferring to or from the Commercial Unit Owner, or its successors, designees or assigns, all or any portion of the Development Rights described in the Declaration.

ARTICLE 17

ACQUISITIONS OF UNITS BY THE BOARD

If (a) any Residential Unit Owner surrenders his or her Residential Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Residential Unit Owner in any other Units theretofore acquired by the Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Residential Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Residential Unit, together with its Appurtenant Interests; or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, on behalf of all Residential Unit Owners (in the case of the Board's acquisition of a Residential Unit), in proportion to such Residential Unit's percentage of Common Interest compared to the total of all Residential Units, or all Unit Owners (in the case of the Board's acquisition of the Commercial Unit), in proportion to their respective interests in

the Common Elements, as may be applicable. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to such Residential Unit's percentage of Common Interest compared to the total of all Residential Units, or all Unit Owner, in proportion to their respective interests in the Common Elements, as may be applicable.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (which Rules and Regulations shall be applicable to the Residential Units only) (true copies of which are annexed hereto and made a part hereof), including, without limitation, the provisions of this Article 18 and of any Rules and Regulations as may be adopted and amended from time to time, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the applicable Unit Owners of all or any part thereof, or interest therein, and their heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding to title to, the acquisition of any interest in, or the entering into a lease, sublease or license for, or the act of occupancy of, all or any portion of any Unit by any person shall constitute an agreement that the provisions of this Declaration, the By-Laws, the Rules and Regulations, as any of the same may be adopted and amended from time to time, are accepted, ratified and will be complied with by such Owner, tenant, or occupant or other party, 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 or Common Element, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or license thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the

case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

18.3 Subject to the provisions of Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS OF DECLARATION

Article 13 of the By-Laws is incorporated herein in its entirety; and, except as otherwise expressly set forth herein, the provisions thereof shall govern the amendment and/or modification of, addition to and/or deletion of any of the provisions of this Declaration.

ARTICLE 20

TERMINATION OF CONDOMINIUM

20.1 The Condominium shall continue and the Property shall not be subject to an action for partition until: (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least eighty percent (80%) both in number and aggregate of the Common Interests of all Unit Owners, including the Commercial Unit Owner. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of at least fifty-one percent (51%) of the Residential and Commercial Mortgagee Representatives if any. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty percent (80%) in number and in aggregate of the common interests of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee may choose to vote its common interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

20.2 To the fullest extent permissible under the law, each Unit Owner shall be deemed to have waived any right to seek partition of the Property. In the event said withdrawal is authorized as aforesaid, and only to the extent the waiver contained in the preceding sentence shall be inapplicable or unenforceable, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale, together with the net proceeds of any applicable insurance policies, shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit

(i.e. Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be selected by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

ARTICLE 21

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 22

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 23

CERTAIN REFERENCES

23.1 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.

23.2 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.

23.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Sections 18.2 and 18.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the

remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 25

COVENANT OF FURTHER ASSURANCES

25.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party (or the holder of a lien on its Unit) requesting the same, execute, acknowledge and deliver to such other party (or the holder of a lien on its Unit) such instruments, in addition to those specifically provided for herein, and take such other action, as such other party (or the holder of a lien on its Unit) may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Board and each Unit Owner shall be required, upon the request of the Commercial Unit Owner or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, any ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

25.2 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which such Unit Owner or party is required to take pursuant to this Declaration or the By-Laws and such failure continues for an additional ten (10) day period following receipt of a second written request therefor (together with written advice that the requesting party shall be entitled to take action upon the recipient's failure or refusal to perform) then the Board is hereby authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

25.3 If any Unit Owner, the Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after receipt of a written request therefor, to take any action which the Board, Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration or the By-Laws at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party, as the case may be.

ARTICLE 26 NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "The 57 Lispenard Street Condominium". For so long as Sponsor (or its designee) owns at least one (1)

unit in the Condominium, Sponsor (or its designee) shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Sponsor (or its designee) shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor (or its affiliate(s)) as the sponsor of the Condominium and/or development of the Property, together with such other information as Sponsor (or its designee) determines in its sole discretion.

ARTICLE 27

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all then Unsold Units. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successor or assign of the Commercial Unit Owner. Subject to the foregoing, Sponsor or its designee, and/or the Commercial Unit Owner, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by merger, consolidation, sale, lease, assignment or otherwise. The rights and/or obligations of the Unit Owners or their designees as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of such Unit Owners or their designee(s).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ____ day of _____, 20__.

304-306 Canal Street LLC

By: _____

Name:
Title:

STATE OF _____)
) SS.:
COUNTY OF _____)

On the __ day of _____ in the year 202__ before me, the undersigned, personally appeared [_____], personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
(Signature and office of individual taking acknowledgment)

SCHEDULE A TO DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP OF THE 57 LISPENARD STREET CONDOMINIUM

DESCRIPTION OF THE LAND

SCHEDULE B TO
DECLARATION ESTABLISHING CONDOMINIUM OWNERSHIP
OF THE 57 LISPENARD STREET, NEW YORK, NEW YORK

DESCRIPTION OF UNITS

BY-LAWS

[TO BE INSERTED PRIOR TO RECORDING]

EXHIBIT 7

CONDOMINIUM BY-LAWS

SCHEDULE C

BY-LAWS

OF

THE 57 LISPENARD STREET CONDOMINIUM

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BY-LAWS

OF
THE 57 LISPENARD STREET CONDOMINIUM

ARTICLE 1

GENERAL

1.1 Purpose. The purpose of these by-laws (the "By-Laws") is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the property (the "Property") consisting of approximately 2,292 square feet of land (the "Land") which forms a part of Block 210 on the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units, the Common Elements, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; the Condominium and these By-Laws shall be subject to the provisions of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration"), which has been recorded in the New York County office of the Register of the City of New York (the "Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined)(except that the Rules and Regulations shall only be applicable to all present and future Residential Unit Owners, mortgagees, lessees, sublessees and occupants of Residential Units and their respective employees, invitees and guests). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, sublease or license for, or the act of occupancy of, all or any portion of a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations (as applicable to the Residential Units) and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of the Condominium. The principal office of the Condominium shall be located either within the Property or at such other place in the Borough of Manhattan as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 General Description of the Board.

2.1.1 As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board" or "Condominium Board"). The Condominium Board shall consist of three (3) members designated appointed and elected as provided in Section 3.1 of these By-Laws.

2.1.2 Each member of the Board, as provided in Section 2.3 and except as otherwise provided herein (including without limitation as provided in Sections 2.4 and 2.5 herein), shall be elected at an annual meeting of the Unit Owners and shall serve until the expiration of their term in office on the third regularly scheduled annual meeting thereafter. Notwithstanding the expiration of the term of office of a member of the Board, each member shall serve until a successor for such member has been elected and qualified.

2.1.3 Except for any Member elected or designated by Sponsor or its designee or by the Commercial Unit Owner, all members of the Board must be: (i) individual Unit Owners or Permitted Mortgagees (as hereinafter defined) of Units; (ii) partners or employees of a partnership owning, or holding a mortgage encumbering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate Permitted Mortgagees of Units; (iv) members or employees of a limited liability company owning or holding a Permitted Mortgage; (v) fiduciaries or beneficiaries who are Unit Owners or Permitted Mortgagees of Units (or directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries); (vi) adult family members (as defined in Section 8.7) or spouses of any of the foregoing individuals; or (vii) individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner or a Permitted Mortgagee of a Unit. Other than Board members elected or designated by Sponsor or its designee or by the Commercial Unit Owner, no Board member shall continue to serve after he or she ceases to be qualified as set forth above. As used herein, the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon in accordance with these By-Laws.

2.1.4 In no event shall any Unit Owner (or its proxy) or another interested party be eligible for election to the Board, and any such Unit Owner (or its proxy) or other party may be removed as a Board member by a majority vote of the other Board members, if such Unit Owner is then in arrears, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board (or his or her proxy) may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties of Board.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, (and in addition to all other powers and duties granted to the Board by law, the Declaration or these By-Laws) the Board shall be entitled to make determinations with respect to all matters relating to the operation and the affairs of the Condominium, including, without limitation, the following:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition and improvement to, and alteration and replacement of the Common Elements, in the condition and otherwise in such a manner that maintains standards of quality, service and appearance which are appropriate for a luxury condominium.

(b) The amount of Common Charges and any assessments.

(c) Collection of Common Charges and any assessments from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such term is hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, on behalf of all Residential Unit Owners, those Residential Units offered for sale or lease by, or Residential Units surrendered by, the owners of such Residential Units to the Board, or those Units with respect to which liens for real estate taxes are being sold.

(g) Purchasing Units at foreclosure or other similar sales (including, without limitation, in connection with the enforcement of the Board's lien for unpaid Common Charges), in the name of the Board or its designee, on behalf of all Residential Unit Owners (in the case of the Board's purchase of a Residential Unit) or all Unit Owners (in the case of the Board's purchase of a Commercial Unit.

(h) Leasing, licensing, financing and otherwise dealing with General Common Elements and Residential Common Elements.

(i) Selling, leasing, licensing, mortgaging, refinancing and otherwise dealing with (but not voting the interests appurtenant to) Residential Units acquired by, and subleasing Residential Units leased by, the Board or its designee, on behalf of all Residential Unit Owners (in the case of a Residential Unit) and all Unit Owners (in the case of the Commercial Unit).

(j) Making repairs, restorations, additions and improvement to, and alterations and replacements of, the Common Elements.

(k) Making repairs, restorations, additions and improvements to, and alterations and replacements of, the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(l) Enforcing obligations of Unit Owners.

(m) Levying fines against Residential Unit Owners for violations of the Rules and Regulations (which fines shall constitute Common Charges payable by the Unit Owners against whom they are levied); provided, however, that no fine for any single infraction shall exceed $250 (but every day that an infraction continues shall be considered a separate infraction subject to fine).

(n) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(o) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Article 6 hereof.

(p) Borrowing money, at any time, on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations or replacements of, the Common Elements; provided, however, that: (A) except as provided in Section 8.6 herein, the consent of at least 66-2/3% in common interest of all Unit Owners (which shall include the consent of the Commercial Unit Owner and, for so long as Sponsor owns a Unit in the Condominium, Sponsor) or all Residential Unit Owners, as the case may be, shall be required for any borrowings for such purposes with respect to the General Common Elements and/or Residential Common Elements and/or Residential Limited Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $500,000 (subject to increase by the CPI Increase Factor) in any one fiscal year (regardless of the balance of loans outstanding from previous years); (B) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the prior written consent of the owner of such Unit; and (C) no Unit Owner other than the Residential Unit Owners shall be liable for the repayment of any such borrowing with respect to the Residential Common Elements and/or Residential Limited Common Elements, and the loan documentation in either case shall so provide. In addition to the debt described above, the Board, without approval of the Unit Owners may, at any time, incur, or refinance, debt from time to time secured by a lien on any Unit acquired by the Board pursuant to the Declaration and/or By-Laws; provided, however, that no such financing or refinancing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements. If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(p) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of either all Unit Owners or all Residential Unit Owners (depending on whether the borrowing was made on behalf of all Unit

Owners or only the Residential Unit Owners, respectively), in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit**,** and all loan documentation entered into by or on behalf of the Board shall specifically so provide. The dollar amounts set forth in clause (A) and (C) of this subsection 2.2.2(p), and all other dollar amounts referenced elsewhere in these By-Laws, shall be adjusted to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. Provided, however, pursuant to subsection jj of Section 339 of the RPL, that the Board is authorized to incur any such debt described above provided that such debt is incurred no later than the fifth anniversary of the First Closing. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

(q) Organizing corporations, limited liability companies and/or other entities to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units acquired or leased by the Board on behalf of the Unit Owners.

(r) Execution, acknowledgment and delivery of, without limitation: (i) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting the Property or the Condominium which the Board deems necessary or appropriate to comply with the Legal Requirements applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement, declaration or other instrument, or any amendment thereto, affecting (x) the Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(s) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to: (i) all Units other than the Commercial Unit for the benefit and on behalf of the Unit Owners and (ii) the Commercial Unit, for the benefit of the Owner thereof, but only to the extent requested and authorized to do so, in writing, by the Owner thereof; and provided, in each case, that all such Unit Owners indemnify the Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

(t) Commencing, prosecuting and settling litigation.

(u) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Section 6.4.

(v) Imposition, increase, decrease or elimination of move-in fees and charges, working capital charges, and transfer fees and/or "flip taxes" payable to the Managing Agent

and/or the Condominium, in connection with the sale, purchase or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon Sponsor or its designee or any Residential Units bought, sold or leased by the Board.

(w) Establishing, changing and otherwise making determinations with respect to reserves, including, without limitation, a general operating reserve or a reserve for working capital or for replacements with respect to the Common Elements.

(x) Causing the Building to remain in compliance with all New York City Office of Environmental Restriction (OER) requirements imposed with respect to the Property, including without limitation, institutional controls, which current institutional controls and terms are more particularly set forth on Exhibit E annexed hereto (as same may be amended from time to time, and as to which an amendment to these By-Laws need not be required for such amendments to become effective).

2.2.3 Except as otherwise provided in these By-Laws or in the Declaration, the member of the Board designated by the Commercial Unit Owner shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair and replacement of the Commercial Unit.

(b) Employment and dismissal of personnel necessary for the maintenance and operation of the Commercial Unit.

(c) Leasing or granting consent with respect to the sublease of all or any portion of the Commercial Unit, or the use thereof by persons or for purposes otherwise permitted and the granting of other consents as in these By-Laws provided, except that the Commercial Unit shall be used for any lawful purpose as provided in the Plan, and provided that the Unit Owner of the Commercial Unit (and any lessee, sublessee and occupant) complies with any other restrictions with respect to the Commercial Unit that the Unit Owner of the Commercial Unit agreed to with Sponsor, if any.

(d) Selling, leasing, mortgaging and otherwise dealing with all or any portion of the Commercial Unit.

(e) Decorating or making alterations, additions or improvements, in, to and upon the Commercial Unit (including, without limitation, performing structural or nonstructural, interior or exterior (including to the façade of the Commercial Unit), ordinary or extraordinary work provided, however, that except as otherwise provided for in Article 15 of the Declaration, such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any alterations, additions or improvements to the Commercial Unit which would affect the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building.

(f) Making repairs to and restoration of the Commercial Unit, or parts thereof, damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, provided such repairs and restorations comply with all applicable Legal Requirements and do not materially and adversely affect the structural, mechanical, electrical or plumbing elements of the Building.

(g) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves only the Commercial Unit, as set forth in Section 6.4.

(h) Borrowing money when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations or additions to or alterations of, the Commercial Unit, or otherwise in connection with any permitted action or activity of the Commercial Unit Owner; provided, however; that (i) no lien to secure repayment of any sum borrowed may be created on any other Unit or its appurtenant interests in the Common Elements without the consent of the owner of such other Unit, and (ii) Unit Owners other than the Commercial Unit Owner will not be liable for repayment of any portion of any such loan, unless they otherwise agree in writing.

(i) Execution, acknowledgement and delivery of (i) any declaration or other instrument affecting the Commercial Unit which the Unit Owner thereof deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Commercial Unit, or (ii) any consent, covenant, restriction, easement or declaration affecting the Commercial Unit which the Unit Owner there deems necessary or appropriate. The provisions of this subparagraph 2.2.3(i) are subject to the provisions of Articles 10 and 19 of the Declaration.

(j) Execution, acknowledgement and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain a reduced real estate tax assessment solely with respect to the Commercial Unit.

2.2.4 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers (individually and/or collectively, the "Managing Agent"), at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to such Managing Agent or manager any powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) (k) through (v).

2.2.5 Notwithstanding anything to the contrary contained in these By-Laws, (including, without limitation, in Section 2.2.2 above) for a period which shall end on the date there are no remaining Unsold Residential Units (the "Initial Control Period"), the Board may not, without Sponsor's prior written consent: (i) make any addition, alteration or improvement to the Common Elements or any Residential Unit (unless required by any applicable laws, statutes

and ordinances, including, without limitation, environmental laws, and all building codes and zoning ordinances) and the orders, rules, regulations, directives, binding resolutions and requirements of all governmental authorities (including, without limitation, the New York City Department of Buildings, the City Planning Commission, the boards of fire underwriters or any public authority or agency having jurisdiction), whether in force as of the date hereof or hereafter, which are or become, or purport to be, applicable to the Property or any part thereof ("Legal Requirements"); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund (although Sponsor will not exercise veto power over expenses described in Schedule B — "Projected Budget for First Year of Condominium Operation" set forth in the Offering Plan (the "First Year's Budget"); (iii) increase or decrease the number of, or change the kind of, employees initially hired for the Building, as provided for in the First Year's Budget, if any; (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services; (v) borrow money on behalf of the Condominium (unless such borrowing is approved by the owners of Units representing at least 75% in number and aggregate Common Interests of all Units); or (vi) exercise any right of first refusal or waiver thereof to lease or purchase a Residential Unit. However, the Condominium Board may perform any function or take any action enumerated in subsections (i) through (vi) hereinabove without the consent of Sponsor if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, either to enable the Condominium Board to comply with any Legal Requirements, or to remedy any notice of violation entered against the Condominium, or to comply with any proper work order by an insurer of the Building, or for the health and safety (but not the general comfort or welfare) of the occupants of the Building. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with any Legal Requirements applicable to the Building, or to remedy any notice of violation entered against the Building or to comply with any proper work order by an insurer of the Building. Sponsor may, however, exercise veto power over expenses other than those described in the preceding sentence, to the extent provided in the Plan, for a period ending not more than five (5) years after the First Closing or whenever the Unsold Units constitute less than 25% of the Common Interest, whichever is sooner.

2.3 Number and Terms of Office of Members of the Board.

2.3.1 As more particularly described herein, until the First Annual Meeting held by the Unit Owners pursuant to the terms of Section 3.1 hereof, the First Board shall consist of three (3) persons designated by Sponsor (and in the case that the Commercial Unit is conveyed prior to the First Annual Meeting, the Commercial Unit Owner shall designate one (1) member to the Board and Sponsor shall designate the remaining two (2) members). Sponsor shall cause the President of the Condominium to call the First Annual Meeting of Unit Owners. The term of office of the three members of the First Board so designated by Sponsor shall expire when the three (3) members to be elected and/or designated at the First Annual Meeting are so elected or designated, as the case may be, and qualified.

2.3.2 The Board will consist of three (3) members elected and/or designated as follows: (i) two (2) members elected by the Residential Unit Owners, except that until the

expiration of the Initial Control Period, Sponsor shall have the to designate both (i.e., two) of the Board members representing the Residential Unit Owners, and; (ii) one (1) member designated by the Commercial Unit Owner. Notwithstanding anything to the contrary set forth herein, the Board may not be expanded beyond three (3) members without the prior consent of Sponsor (and no amendment to these By-Laws modifying the Board composition shall be made without the consent of Sponsor).

2.3.3 Each member of the Board will serve for a term of approximately two (2) years. At the expiration of the initial term of office of each member of the Board, each such member's successor will be elected (or designated, as the case may be) to serve. At each annual meeting of Unit Owners subsequent to the First Annual Meeting, the Unit Owners shall elect (or in the case of the Commercial Unit Owner or Sponsor or its designee, designate), as the case may be, pursuant to the terms of the By-Laws, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at two (2) years. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, each member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board (including any Member designated by Sponsor, or its designee, or the Commercial Unit Owner) may serve until his or her successor shall be elected and qualified.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsections 2.4.2, 2.4.3 and 2.4.4, all members of the Board shall be determined by plurality of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee owns at least one Unit) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present or not required. The Commercial Unit Owner shall at all times have the right to designate one (1) Board member.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws or otherwise to the contrary, at the First Annual Meeting and at all times theretofore and thereafter, Sponsor and/or its designee and/or any owner of Unsold Units shall be able to vote in accordance with its/their ownership of Units and thus may be able to elect members of the Board by virtue of its/their ownership of Units. In addition, at elections of members to the Board held at and after the First Annual Meeting but before the expiration of the Initial Control Period, if: (i) Sponsor (or its affiliate) owns the Commercial Unit, Sponsor, and/or its designee shall designate the one (1) member of the Board designated by the Commercial Unit Owner and two (2) additional members of the Board (all of whom may be persons related to or affiliated with Sponsor and/or its designee or other Unsold Unit Owner); and (ii) Sponsor (or its designee) does not own the Commercial Unit, Sponsor and/or its designee shall designate two (2) members

of the Board representing the Residential Unit Owners (both of whom may be persons related to or affiliated with Sponsor and/or its designee of other Unsold Unit Owner) and the Commercial Unit Owner shall designate the one member of the Board to be designated by the Commercial Unit Owner.

There is no restriction on the right of Sponsor and its designee(s) or any Unsold Unit Owner to vote for members of the Board who are not related to or affiliated with Sponsor or such designee or Unsold Unit Owner; however, after the expiration of the Initial Control Period, neither Sponsor nor its designee will designate a majority of the Members.

2.4.4 In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these By-Laws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter, even though the members of the Board present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the term.

2.5 Resignation and Removal.

2.5.1 Any member of the Board may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested by the resigning member, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any member elected by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined.) Any member of the Board who was designated or elected as such by Sponsor (or its designee), in Sponsor's capacity as a Unit Owner, pursuant to the terms of Sections 2.4 or 2.6, may be removed from office (x) for cause, by a Majority of Unit Owners and (y) without cause, only by Sponsor (or its designee). In the event of any removal described in the previous sentence, whether with or without cause, either Sponsor (or its designee) shall have the sole right to designate the replacement of the member which had been designated or elected by Sponsor (or its designee). Any Board member whose removal for cause has been proposed shall be given an opportunity to be heard at the meeting of Unit Owners at which such removal is to be considered.

2.6 Vacancies on Board. Subject to the provisions of Sections 2.3, 2.4 and 2.5, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee, as the case may be).

2.7 Organizational Meetings of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ninety (90) days after such annual meeting at such time and place in the Borough of Manhattan as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the members of the Board in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof, provided that at least two such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, nationally recognized overnight courier or telecopy, at least five business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving at least five business days' prior notice to each member of the Board, by personal delivery, nationally recognized overnight courier or telecopy, which notice shall state the time, place (in the Borough of Manhattan) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of two or more members of the Board.

2.10 Waiver of Notice. Any member of the Board may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver by such member of notice of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsections 2.4.4, 2.6 and 2.11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum except as may otherwise be provided herein, and the votes of a majority of such members present shall constitute the decision of the Board. Notwithstanding the foregoing, at any meeting pertaining solely to matters which do not affect the Commercial Unit Owner or the Commercial Unit, both of the members elected by the Residential Unit Owners shall be required to constitute

a quorum for purposes of such meeting and the votes of both of such members present shall constitute the decision of the Condominium Board. The Board member designated by the Commercial Unit Owner shall not be permitted to vote on any matter coming before the Board which pertains to and/or affects only the Residential Units and vice versa. Notwithstanding anything to the contrary set forth herein, the Board shall not take any action (or fail to take any action) that would reasonably be expected to have a material and adverse effect on the Commercial Unit (and any Limited Common Elements appurtenant thereto) and the Commercial Unit Owner, without the consent of the Board member designated by the Commercial Unit Owner; such consent not to be unreasonably withheld, conditioned or delayed.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum exists or may reconvene the meeting to a time (specified on at least three business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent members) when no quorum requirement shall apply. At any such adjourned meeting at which a quorum is present or is not required, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation for acting as such.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Managing Agent, building engineer or superintendent in connection with the affairs or operation of the Condominium (except in its or their capacities as Unit Owners), and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent only as agent for all Unit Owners, and that the Board members or the Managing Agent shall have no personal liability thereon (except in its or their capacities as Unit Owners) and may also state the applicable limitations of liability of the Unit Owners provided for in the next sentence; however, the absence of such statement or statements in any such contract shall not be deemed to imply any personal liability on the part of the Board or the Managing Agent or any greater liability on the part of any Unit Owner than as provided in the next sentence. The liability of any Unit Owner for any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and in each case, to the extent permitted by applicable law, the liability of any Unit Owner shall be limited to such Unit

Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for any such contract, act or omission.

2.13.2 Nothing in the preceding section shall limit a Unit Owner's liability for the payment of Common Charges. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for its or his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Board member against any liability or claim except those arising out of such Board member's own bad faith, willful misconduct, illegal acts, fraud or gross negligence. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith, willful misconduct, illegal acts, fraud or gross negligence of such member.

2.13.3 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other services to be provided or obtained by, or on behalf of, the Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof, as the case may be; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith, willful misconduct, illegal acts, fraud or gross negligence of the Board or such member thereof.

2.14 Fidelity Bonds. The Condominium Board may obtain and maintain fidelity and crime insurance covering the Condominium Board and all Condominium Board members, officers, directors and employees of the Condominium and of the Managing Agent and the premiums on such bonds shall constitute Common Expenses.

2.15 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint such committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers designated to it by the Board during the intervals between the meetings of the Board insofar as may be permitted by law. For so long as Sponsor is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member of the Board appointed by Sponsor.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation or organization of the Board pursuant to the

provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so organizes or incorporates, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws; and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization and operating agreement.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members; or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified, or (b) the vote of any such member was counted for such purpose; provided, however, that either: (1) the fact thereof is disclosed to, or known by, the Board or a majority of the members thereof and noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2)(y) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners, present at a duly constituted meeting, shall in good faith authorize, approve or ratify such contract or transaction less the number of such Unit Owners who are also such members involved in such contract or transaction; and (z) the contract or transaction is commercially reasonable to the Board at the time the same is authorized, approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board or of the Unit Owners which authorizes, approves or ratifies any such contract or transaction.

2.20 Principal Office of Board. The principal office of the Board shall be located either within the Property or at such other place in the Borough of Manhattan, as may be designated from time to time by the Board.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. The first annual meeting of Unit Owners (the "First Annual Meeting") shall be held not later than thirty (30) days following the second anniversary of the First Closing. At such meeting, a new Board shall be elected and/or designated (as provided in Sections 2.3 and 2.4) and the incumbent Board shall resign. Thereafter, annual meetings of Unit Owners shall be held within approximately four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect, or designate, as the case may be, successors to the members of the Board whose terms of office are due to expire on or about the day of such meeting or have already expired and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other place in the Borough of Manhattan as may be designated from time to time by the Board.

3.3 Special Meetings. The President or the Vice President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by Unit Owners owning Units representing not less than 50% of the Common Interests of all of the Units. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat, at their address at the Condominium (or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least 15 business days prior to the giving of notice of the applicable meeting). Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail, nationally recognized overnight courier or telecopy, at least 10 business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners in the manner provided above, at least thirty (30) days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. Subject to the terms and provisions of subsection 2.4.4, if any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote to either: (a) adjourn the meeting from time to time until a quorum exists; or (b) reconvene the meeting at a

time (specified on not less than three business days' notice, by personal delivery, nationally recognized overnight courier or telecopy, to the absent Unit Owners) when no quorum requirement shall apply.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Call to order.

(b) Roll call.

(c) Proof of notice of meeting.

(d) Reading of minutes of preceding meeting.

(e) Reports of officers.

(f) Reports of members of the Board.

(g) Reports of committees.

(h) Election of inspectors of election (when so required).

(i) Election of members of the Board.

(j) Unfinished business.

(k) New business.

(l) Adjournment.

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust, fiduciary or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Unit Owners and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to such Secretary by the Unit Owner who had made the designation; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except that the designation of a Permitted Mortgagee to act as the proxy of its mortgagor shall be effective until duly revoked). A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.2 If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the entire Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall

mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

3.8.3 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.4 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to its Unit or Units including without limitation, for each Board member to be elected.

3.8.5 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is described in terms of a percentage of a particular class of Unit Owners, as a group (e.g. x% of all Residential Unit Owners), as opposed to a percentage of all Unit Owners, such required percentage shall mean a percentage in terms of the total Common Interests attributable to the particular class of Unit Owners and not the percentage of Common Interests attributable to all Unit Owners.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present or is not required.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which more than 50% of the aggregate Common Interests attributable to all Units are appurtenant, shall constitute a quorum at all meetings of Unit Owners.

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, and Secretary/Treasurer thereof, all of whom shall be elected by the Board. The Board may elect more than one Vice President, or an Assistant Treasurer, or Assistant Secretary and such additional officers as in its judgment may be desirable. Unless prohibited by applicable

law, any two or more offices of the Condominium may be held by the same person. None of the officers of the Condominium need be Unit Owners or have any interest therein until the first organizational meeting of the Board, which shall be held within 90 days after the First Annual Meeting. Thereafter, the President of the Condominium must be a member of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organizational meetings thereof and at any other meeting as may be required to fill a vacancy, and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the First Board and shall hold office at the pleasure of such First Board and until their successors are elected.

4.3 Resignation and Removal of Officers. Any officer may resign at any time by written notice given in accordance with the terms of Section 5.1 of these By-Laws to the Board; such resignation shall take effect at the time specified and, unless specifically requested by the resigning officer, acceptance of such resignation shall not be necessary to make it effective. Except as otherwise required by these By-Laws with respect to designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a special meeting of the Board called for such purpose, at which a quorum is present or is not required pursuant to Section 2.11.2, any officer may be removed, either with or without cause, and his or her successor shall be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as such President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium. From and after the first organizational meeting of the Board after the First Annual Meeting, the President of the Condominium must be a member of the Board.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President under whom he or she serves and shall perform the duties of the President whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary/Treasurer. The Secretary/Treasurer of the Condominium shall keep the minutes of the meetings of the Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. In addition, the Secretary/Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required

financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by such Board and shall, in general, perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. In addition to the foregoing, the Board may authorize the managing agent serving on its behalf to execute checks, provided that the expenditures, and the managing agent's paying for same, have been approved in advance by resolution of the Board or have been authorized by two officers of the Condominium.

4.8 Compensation of Officers. Except as otherwise determined by the Board, no officer shall receive any compensation for acting as such.

4.9 Liability of Officers.

4.9.1 To the extent permitted by applicable law, no officer of the Condominium shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her own bad faith, willful misconduct, illegal acts, fraud or gross negligence. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify, defend and hold harmless each officer against any liability or claim except those arising out of such officer's own bad faith, willful misconduct, illegal acts, fraud or gross negligence.

4.9.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer; or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, which is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, or from water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except in each case when caused by the acts of bad faith or willful misconduct of such officer.

ARTICLE 5

NOTICES

5.1 Notices. Except as otherwise provided in these By-Laws: (a) all notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person (only in the case of a notice to any officer of the Board) or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the principal

office of the Board (or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and to all Permitted Mortgagees) and a duplicate shall be sent in like manner to the Managing Agent; (b) all notices required or desired to be given hereunder to any Unit Owner shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to the address of such Unit Owner at the Property or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board; and (c) all notices required or desired to be given hereunder to Permitted Mortgagees shall be in writing and either delivered in person or sent by registered or certified mail, return receipt requested, or by nationally recognized overnight courier service to their respective addresses, as may have been designated by such Permitted Mortgagees from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person (to the extent permitted herein) or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper, or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 The Board shall, from time to time, but at least annually, prepare or cause to be prepared a budget setting forth its projections of the costs and expenses associated with the repair, maintenance, replacement, restoration, care, upkeep and operation of, and any alteration, addition or improvement to, the Common Elements, the provision of services to Unit Owners and the business and affairs of the Condominium (the "Common Expenses") for the next fiscal year and will allocate and assess charges (such charges, together with all such other amounts denominated or payable as common charges in or under the Declaration or these By-Laws, being collectively, the "Common Charges") among (a) the Residential Units and (b) the Commercial Unit. Residential Unit Owners will be assessed Common Charges to meet the Residential Units' allocated share of Common Expenses and the Common Charges payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interest compared to the total of all Residential Units. The Commercial Unit Owner will be assessed Common Charges to meet the share of only those Common Expenses allocated to the Commercial Unit by the Board. The Commercial Unit Owner's share of Common Expenses will be limited to a share of only certain components of the Common Expenses which are set forth in the First Year's Budget. Any disputes between the Board and the Commercial Unit Owner regarding the reallocation of Common Expenses shall be resolved by Arbitration in accordance with the terms of Article 11 of these By-Laws and while any disputes are undergoing resolution the Commercial Unit Owner shall continue to be obligated to pay the allocations theretofore in force and any variation in such

Common Charges based upon such resolution shall be retroactive to the date of the redetermination. The allocations of Common Expenses between the Residential Units and the Commercial Unit set forth in the First Year's Budget and the footnotes thereto are deemed presumptive evidence of reasonableness and no changes to such allocations affecting the Commercial Unit Owner shall be made without the consent of the Member of the Board designated by the Commercial Unit Owner, which consent shall not be unreasonably withheld, conditioned or delayed. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof. For the avoidance of doubt, when Common Expenses are allocated solely to the Residential Unit Owners, each Residential Unit Owner shall bear the costs in accordance with its Residential Common Interest as set forth on Schedule B to the Declaration, unless expressly provided otherwise herein or in the Declaration.

6.1.2 The Board may, in its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners, and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. However, a prior period's deficit may be included in Common Charges for a subsequent period or levied from a special assessment levied against all Unit Owners or Residential Unit Owners, as the case may be.

6.1.3 The failure or delay of the Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In the event of such failure by the Board, the Common Charges thereafter allocable to the Units until a new determination of Common Charges is made shall be computed as set forth in the By-Laws. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses can be made.

6.1.4 In addition to the foregoing duty to determine the amount of and to assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses (or a prior period's deficit, in accordance with subsection 6.1.2), provided that no special assessments shall be levied against the Commercial Unit Owner when the special assessment arises from an obligation to pay Common Expenses which benefit solely the Residential Unit Owners. All special assessments shall be levied against all Unit Owners (or, as applicable, all Residential Unit Owners) in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges (including, without limitation, perfecting a lien against the defaulting Unit).

6.1.5 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Elements remaining after the

deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of all Unit Owners (in the case of any General Common Element) or the Residential Unit Owners (in the case of the Residential Common Elements), and shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental, licensing or use of any space in the Building be deemed to be derived from the rental, licensing or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Subject to the terms of this Article 6, the Common Expenses shall initially be allocated among (a) the Residential Units and (b) the Commercial Unit, as set forth in the footnotes to Schedule B in the Plan and as noted above. The Common Charges or special assessments payable by each Residential Unit Owner will be in proportion to such Unit's percentage Common Interests compared to the total of all Residential Units, except as indicated in Section 6.1.3 and 6.6.2. The Commercial Unit Owner will be assessed Common Charges or special assessments to meet the share of only those Common Expenses allocated to its Commercial Unit as provided in Section 6.1.1 above. In addition to basing allocations of Common Expenses on Common Interests, the Board may also make allocations and assessments of Common Expenses based upon submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the law.

6.2 Payment of Common Charges and Lien.

6.2.1 All Unit Owners shall be obligated to pay to the Board Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest, except as expressly provided herein. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Residential Unit; and (c) the Commercial Unit Owner shall not bear any additional expenses or liabilities in connection with the conveyance of such Residential Unit to the Board, or its designee. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandoning its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition thereof, except that, to the extent permitted by law, a Permitted Mortgagee acquiring

title to a Unit at a foreclosure sale shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges assessed against such Unit subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by such Permitted Mortgagee; the foregoing is subject to the provisions of the last sentence of subsection 6.3.1 hereof. However, in the event of a foreclosure of a Unit by a Permitted Mortgagee (whether by sale, deed in lieu of foreclosure or otherwise) or by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale actually received (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred by such Permitted Mortgagee in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale, as provided in these By-Laws and can be sued for the unpaid balance.

6.2.3 Notwithstanding the provisions of subsection 6.2.1, any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by any foreign government (i.e. diplomatic or sovereign immunity) shall deposit with the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Board may use, apply, or retain the whole or any part of the security so deposited to the extent required for the payment of any Common Charges or any other sum as to which Unit Owner is in default.

6.2.4 Sponsor reserves the right, in its sole and absolute discretion, to cause the Board to waive the collection of Common Charges for a period of time prior to full occupancy of the Building (the "Waiver Period"); provided, however, that Sponsor shall be solely responsible for payment of all expenses to operate the Building during the Waiver Period (the "Operating Expenses"). All Operating Expenses paid by Sponsor during the Waiver Period are based on the actual costs of operating the Building and not on estimates set forth in Schedule B – Projected Budget for First Year of Condominium Operation." The Schedule B budget will not be in effect until the expiration of the Waiver Period. Notwithstanding anything to the contrary set forth above, the Operating Expenses shall not include individual Residential Unit Owner expenses such as, but not limited to, real estate taxes (regardless of whether the Unit has been separately assessed), any insurance premiums for policies that Residential Unit Owners are required to carry, generally covering Unit Owners' personal property, and/or utility charges. In all instances, the Unit Owners will remain responsible for the payment of the real estate taxes. Sponsor, in its sole and absolute discretion, may upon thirty (30) days prior notice to Unit Owners terminate the Waiver Period.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner. Such lien for Common Charges shall be

subordinate only to liens for real estate taxes and, to the extent required by applicable law, to prior recorded Permitted Mortgages on such Units, which are first mortgages of record.

6.3.2 In the event any Unit Owner fails to make payment of Common Charges when due, such Unit Owner shall be obligated to pay: (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than 10 days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid); and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (exclusive of any "late charges" theretofore assessed on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees and expenses paid or incurred by the Board or by the Managing Agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien because of unpaid Common Charges, the defaulting Unit Owner shall be required to pay a reasonable fee for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and fees shall be added to and shall constitute Common Charges payable by such Unit Owner; and the lien for unpaid Common Charges shall also secure the payment of such additional sums. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges.

6.3.3 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Residential Unit Owners (in the case of a Residential Unit) or all Unit Owners (in the case of the Commercial Unit), shall have the power (but shall not be obligated) to purchase any such Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant thereto). In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit, as provided in these By-Laws. Notwithstanding anything contained herein, the Commercial Unit Owner shall not, in any instance, incur additional costs, expenses or liabilities in connection with the Board's acquisition of a Residential Unit.

6.3.4 For the purposes of this subsection 6.3.4, "non-occupying owner" shall mean a Unit Owner who or which does not occupy its Unit.

(a) If a non-occupying owner rents any Unit to a rental tenant and then fails to make payments due for Common Charges or any other amounts payable by such Unit Owner to the Board, including, without limitation, assessments and/or late fees (all of the foregoing, collectively, "Payments") for such Unit within sixty (60) days of the expiration of any grace period after the same are due, upon notice in accordance with subdivision (b) of this subsection, all rental payments from the tenant shall be directly payable to the Board.

(b) If the Payments for any Unit have not been paid in full, within sixty (60) days after the expiration of any grace period of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all Payments are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Board at the address listed on the notice. Where a majority of the Board has been elected by and from the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Board. At such time as Payments from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payments pursuant to this subsection shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the date that such Board receives notice that such owner seeks to dispute such claim.

(c) Nothing in this subsection shall limit any rights of any Unit Owner or the Board existing under any other law or agreement.

(d) Payment by a rental tenant to the Board made in connection with this subsection shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

6.4 Insurance.

6.4.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable, at commercially reasonable rates, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units and all fixtures, furniture, furnishings, custom millwork, moldings and the like or other personal property contained in such Units), together with all service machinery contained therein, including without limitation, boiler and machinery insurance, and insurance covering the elevators and equipment servicing same, covering the interests of the Condominium, each of the Boards and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) if applicable, worker’s compensation and New York State disability benefits insurance as required by applicable Law; (d) crime insurance covering all Boards and all officers, directors, Managing Agent and employees of the Condominium; (e) directors and officers liability insurance; and (f) such other insurance as the Condominium Board may determine. The premiums for all insurance referred to above shall be a Common Expense. The Board will not be required to obtain or maintain terrorism or mold coverage but may do so, and in such event, the cost thereof shall be a Common Expense as described in Section 6.1.1 above.

6.4.2 The Board shall also be required to obtain and maintain, to the extent obtainable, at commercially reasonable rates, commercial general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Common Elements (including without limitation, liability relating resulting from use of elevators), in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) as additional insured, each Unit Owner and their agents and Permitted Mortgagees, if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within or about its own Unit. The Board shall review such limits once each year. The Condominium Board shall also be required to obtain and maintain crime insurance covering the Condominium Board, the Managing Agent, each Condominium Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereof. The insurance required in accordance with this paragraph shall also cover cross-liability claims of one insured against another. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

6.4.3 To the extent obtainable at commercially reasonable premiums, all fire, casualty and general liability insurance policies which the Board is required to maintain must provide that each Unit Owner is an additional insured party (if applicable) and contain waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled without at least 30 days' prior written notice to all of the insureds, including the Board, all Unit Owners and Permitted Mortgagees, who have requested the same from the Board in writing. The Unit Owners and the Board here by waive their subrogation rights. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees who have requested the same from the Board in writing. Renewals shall be obtained prior to the expiration of the then current policies.

6.4.4 All such policies shall provide that adjustment of loss shall be made by the Board if the loss involves only the Common Elements. Insurance proceeds with respect to any loss shall be payable to the Board to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $2,500,000, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.7.

6.4.5 Intentionally Omitted.

6.4.6 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.7 If the use of any Unit causes an increase in the premium for the insurance which the Board is required to obtain and maintain, as set forth herein or otherwise, then the

owner of such Unit shall be obligated to pay to the Board a sum equal to the amount of such increase attributable to such use.

6.4.8 The Board is not required to obtain or maintain any property insurance with respect to any Unit, nor shall the Board be required to obtain and maintain any liability policies covering a Unit. Consequently, all Unit Owners are required, at the Unit Owner's own cost and expense, to obtain and maintain in full force and effect (i) a liability policy insuring against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, on or about such Unit Owner's Unit and the Limited Common Elements appurtenant thereto, if any, affording protection of at least $1,000,000 per occurrence, (ii) umbrella liability coverage of at least $3,000,000, and (iii) "special causes of loss" property insurance in respect of property damage occurring in, upon, to, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and betterments) as well as for any fixtures, furnishings and personal property that are placed or installed in a Residential Unit by the Residential Unit Owner. The limits of liability set forth in (i) and (ii) above may be increased by the Condominium Board from time to time (without having to amend these By-Laws) provided that for so long as Sponsor owns at least one (1) Unsold Unit, any change or elimination of the requirements set forth above may only be made upon Sponsor's prior written consent. All such Unit Owner insurance shall be issued by an insurance company qualified to do business in the State of New York and approved by the Board, acting reasonably; and the Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit, shall contain a waiver of the insurer's rights of subrogation against the Board. The liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

6.4.9 All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any additional insurance carried by any other Unit Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Board. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder.

6.4.10 Any insurance coverage(s) required to be obtained by the Board may be satisfied by any so-called builder's risk policy or other policy obtained by Sponsor. To the extent any such policy obtained and paid for by Sponsor shall satisfy the insurance requirements of the Board for the Condominium in respect of any period following the First Closing, the Board shall reimburse Sponsor for its prorated share of the cost of such coverage.

6.4.11 Until payment of the debt under any mortgage secured by the Unsold Units owned by Sponsor, if any (the "Sponsor's Mortgage") is made in full the Board must comply with the obligations the Sponsor's Mortgage (which provisions set forth the Board's obligations with respect to the maintenance of insurance during such period).

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests do not duly and promptly resolve within sixty (60) days from the date of such damage or destruction to proceed with repair or restoration), the Board will arrange for the prompt repair and restoration of the Common Elements and each Unit Owner will arrange for the prompt repair and restoration of their respective Units, as the case may be. The Board shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. If only a Unit is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Unit Owner thereof will bear the entire amount of the deficit, or shall receive all of the surplus. If only the Residential Common Elements and the Residential Limited Common Elements are damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne or shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the General Common Elements, or any combination of the Residential Common Elements and Residential Limited Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners, or by the Unit Owners of the affected portions of the Building, as appropriate, in proportion to their respective Common Interests. Any surplus payable to any Unit Owner pursuant to this subsection 6.5.1 shall be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of priority of such liens.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and owners of Units representing at least 75% in number and aggregate Common Interests of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Building (or so much thereof as remains) 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: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers); and (ii) then among the Unit Owners of each class of Unit in proportion to the respective Common Interests of such Units; provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens.

6.5.3 As used in this Section 6.5, the words "promptly resolve" shall mean not more than sixty (60) days after the date of the damage of destruction in question occurs.

6.5.4 Any dispute between the Board and a Unit Owner under this Section 6.5 shall be settled by Arbitration (as provided in Article 11).

6.6 Maintenance and Repairs.

6.6.1 General. Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary (i) in or to any Unit (but excluding General Common Elements and/or Residential Common Elements included therein except as otherwise provided in these By-Laws) shall be made by the owner of such Unit at its sole cost and expense; provided that, except in the case of work to be done in Unsold Units or in the Commercial Unit, the Unit Owner thereof will utilize only such contractors, workers or suppliers as are approved by the Managing Agent or Board; (ii) in or to the General Common Elements, shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to all Unit Owners, or (iii) in or to the Residential Common Elements shall be made by the Board, and the cost and expense thereof shall be charged to all Residential Unit Owners in proportion to their respective Common Interests. As it relates to the finishings, floor materials and wall coverings, including without limitation, carpeting or wall coverings that may be installed in Vestibules, the Unit Owner having exclusive use thereof, and not Declarant or the Board, shall be responsible for all replacements, repairs and restorations of said materials.

Additionally, each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the high quality, character and dignity of the Building), in each case, by the Unit Owner or the Condominium Board, whichever is responsible, under the By-Laws, for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Condominium Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default.

6.6.2 Notwithstanding the provisions of subsection 6.6.1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof (including, without limitation, to any Unit or Common Element) is necessitated by or attributable to the negligence, misuse, neglect or abuse of (i) any one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, the entire cost thereof shall be borne entirely by such Unit Owner(s), or (ii) the Board or its tenants, agents, invitees, licensees or guests, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in any case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) all Maintenance of any Residential Limited Common Element shall be made by the Residential Unit Owner having exclusive use of such Residential Limited Common Element at such Residential Unit Owner's own cost and expense, provided however, that any

structural or extraordinary repairs or replacements thereto, which are not caused by the negligence of the Residential Unit Owner having exclusive use of the same, shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense.

(c) The washing and cleaning of interior glass surfaces of windows in the Residential Units shall be the responsibility of the respective Unit Owners and shall be cleaned a minimum of one time per calendar year. Residential Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. In connection therewith, the Condominium Board shall have an easement to access Units and any Residential Common Elements or Residential Limited Common Elements appurtenant thereto to the extent necessary. Any replacement of glass windows in any Residential Unit, because of breakage or otherwise, shall be made by the Board, and charged to the Residential Unit Owners, as a Common Expense on an allocated basis (unless such breakage is caused or attributable to negligence, misuse, neglect or abuse of one or more Unit Owner(s) or its or their tenants, agents, invitees, licensees or guests, in which event such replacement of glass windows shall be made by the Board, at the expense of such Unit Owner(s)) to the extent that the Board's insurance does not cover the same. Any replacement of glass windows in a Commercial Unit, because of breakage or otherwise, shall be promptly performed by the Commercial Unit Owner at its sole cost and expense (except to the extent the need to replace same results from the negligence, misuse or abuse of another Unit Owner or the Board.)

(d) In the event that, under applicable Legal Requirements, any exterior windows in the Residential Units must be reduced in size or closed, the owner of the affected Unit shall solely bear the costs relating to such reduction or closure and, in the event that closure is required, such windows will be enclosed by the Board, at the sole cost of the affected Residential Unit Owner.

6.6.3 All capital repairs and replacements to the roof, as well as normal and routine maintenance, repairs, replacements and improvements to the roof of the Building will be made by the Condominium Board and chargeable to all Unit Owners in proportion to their respective Common Interests. If the Commercial Unit Owner, as the holder of the easement in Section 15.12 of the Declaration utilizes the roof of the Building pursuant to such easement (whether utilized on its own behalf or on behalf of a tenant), then such Commercial Unit Owner will be responsible for the normal maintenance and repair of the portion of the roof(s) it (or its tenant) utilizes, but as it relates to capital repairs and replacements to such roof areas such charges will continue to be Common Expenses borne by all Unit Owners unless such costs are attributable to the use by the Commercial Unit Owner, in which case the Commercial Unit Owner shall be solely responsible for such costs.

6.6.4 Each Unit and all portions of the Common Elements shall be kept in a clean and sanitary condition, and in good working order (and all portions thereof exposed to public view shall be kept in a neat appearance and in first-class condition in accordance with the

high quality, character and dignity of the Building (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water)) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof under the Declaration or these By-Laws, and such Unit Owner or the Board shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building it is required to maintain under the Declaration or these By-Laws; and (b) each Unit Owner, with respect to the windows and window shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit and its appurtenant Residential Limited Common Elements (if any), as well as those other areas of such Unit which are exposed to public view. In order to promote a consistent appearance of the Building from the outside, each Unit Owner will be required to install and maintain window treatments having a white or light, neutral-colored backing on the sides facing the window, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Condominium Board. Neither the interior nor the exterior glass surfaces of any windows in a Residential Unit may be altered, colored or painted.

6.6.5 Without limiting the generality of the other provisions of these By-Laws, the Commercial Unit Owner, at its sole cost and expense, shall:

(a) clean the interior and exterior of the windows and doors (including, in each case, the frames thereof) in the Commercial Unit and in the perimeter walls thereof whenever necessary, and clean and polish the inside and outside of the store fronts of the Commercial Unit whenever reasonably necessary;

(b) keep the Commercial Unit clean, and in a sanitary condition, keep all plumbing and sanitary systems and installations serving the Commercial Unit in a good state of repair and operating condition to the points they connect with the main vertical risers and stacks of the Building;

(c) comply with all sanitary codes, bag and remove all rubbish and other debris from the subleased premises daily between the hours of 6:00 P.M. and 8:00 A.M., keep the sidewalks in front of the Commercial Unit clean and free from any garbage, debris, or obstruction and place all garbage away from the lobby;

(d) use reasonable efforts to eliminate all noxious fumes, odors or gases originating from the Commercial Unit and vent the foregoing;

(e) utilize all reasonable measures to keep the Commercial Unit free from rats, mice, insects, and other vermin;

(f) except to the extent performed by the Condominium (and subject to the terms of the next sentence herein), on a daily basis, keep the sidewalks in front of the Commercial Unit clean and free of dirt, ice, snow, mud and rubbish, but the cost of all necessary repairs or replacements to the sidewalks for which the Condominium is responsible shall be a

Common Charge (unless the need to make such repair or replacement is caused by or attributable to a Unit Owner, in which case such Unit Owner shall be responsible for the entire cost). The foregoing notwithstanding, the Commercial Unit Owner shall be solely responsible, at its sole cost and expense, for all maintenance, repairs and/or replacements (including without limitation, removal of snow and debris) for the sidewalk fronting the Canal Street side of the Building;

(g) as soon as reasonably practicable after any glass (including mirrors) in the Commercial Unit and the perimeter and the demising walls thereof is broken or cracked, including a so-called "bulls eye" break in the glass, replace such glass with glass of substantially the same kind and quality as may be necessary or desirable in connection with such replacement, repair or replace the frames for such glass and in the event the Commercial Unit Owner shall fail to so replace such glass and if necessary repair or replace such frames as aforesaid, then the Board may replace the glass, if necessary, and repair or replace such frames on the Commercial Unit's behalf and the Commercial Unit Owner shall, within ten (10) days after the Board's demand therefor, pay to the Board the costs incurred by the Board in so doing; and

(h) install, over and adjacent to the areas used for cooking or baking the proper exhaust hoods and equipment which will be equipped in an "ansul" or equal self-extinguishing fire control system, which shall be approved by the Board of Fire Underwriters for such use.

6.6.6 In the event that any Unit Owner, after receipt of written notice from the Board, fails or neglects in any way to perform any of its obligations with respect to the maintenance, repair or replacement in or to its Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such maintenance, repair or replacement unless such Unit Owner, within 10 days after receiving notice of such default by the Board, (except in the event of an "emergency", i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Property or for the safety of occupants of the Building or other persons, or required to avoid the suspension of any necessary service in the Building or with respect to all or any portion of the Property), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences (within such 10 day period) and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred by the Board in connection with the making of any such maintenance, repair or replacement in or to such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible as aforesaid, together with interest thereon at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration or these By-Laws:

(a) Alterations to Residential Units. No Residential Unit Owner (other than Sponsor or its designee as the owner of Unsold Units) shall make any Alterations in or to its Unit

which affects the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning systems thereof), without obtaining the prior written consent of the Board thereto. Prior to, and as a condition of, the granting of its consent to the making of any such Alteration in or to a Unit, the Board, at its option, may require any Residential Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration may be made (which may include, without limitation, posting of a bond or security deposit in an amount reasonably acceptable to the Board, procuring and maintaining insurance required by the Board and giving certain indemnifications) Any Unit Owner seeking to perform such work requiring the consent of the Board shall be liable for all costs and expenses incurred by the Board in obtaining such consent. For purposes herein, "Alterations" shall refer to any alterations, additions, improvements, replacements and/or repairs.

(b) Alterations to Commercial Unit. The Commercial Unit Owner may make Alterations in or to the Commercial Unit (including any decorations that are compatible with the first class character and location of the Building, and may install certain equipment on the roof but only to the extent otherwise provided or permitted in the Declaration or By-Laws), provided, however, that such Commercial Unit Owner, if other than Sponsor or its designee, must obtain the prior consent of the Board, which consent shall not be unreasonably withheld, to any Alteration to such Commercial Unit which would affect the structural, mechanical, electrical or plumbing elements of the Building. In the event that a dispute arises between a Commercial Unit Owner and the Board regarding any Alteration subject to the Board's approval (or which the Board asserts is subject to its approval), such dispute shall be submitted to arbitration in accordance with the terms of Article 11 of the By-Laws, provided that the parties shall cause such arbitration to proceed in an expedited manner. A Commercial Unit Owner will be granted reasonable access to all parts of the Building (other than the interior of Residential Units) to which such Commercial Unit Owner reasonably requires access in order to perform any work or Alterations that the Commercial Unit Owner is permitted (or required) to be made hereunder and the Declaration. The Commercial Unit Owner shall also be obligated to comply with the requirements of 6.7.2 herein (other than those terms that are specific to the Residential Unit Owners)

(c) All Alterations which would affect the structure or systems of the Building (including, without limitation, the mechanical, electrical, plumbing, heating, ventilating and/or air-conditioning system thereof, but excepting any system which exclusively serves the Unit in question) and all Alterations to any Residential Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board. The Board may impose fees upon any Unit Owner to reimburse the Condominium for costs incurred by the Board in connection with the review and supervision of such Unit Owner's work.

6.7.2 All Alterations by a Unit Owner shall be performed:

(a) at the Unit Owner's sole cost and expense (which shall include, without limitation, the reasonable costs of the Board incurred in reviewing and approving such Unit Owner's submission for approval (if such approval is required under these By-Laws) and in monitoring such Unit Owner's compliance with the provisions of this Section 6.7);

(b) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(c) only during such days and hours as may be specified by the Board in its reasonable judgment;

(d) only after obtaining such insurance, naming the Board, the Managing Agent and Sponsor as additional insureds, as the Board or the Managing Agent may require and indemnifying the Board, all other Unit Owners and the Managing Agent against any liability arising from the work;

(e) in the case of a Residential Unit**,** employing such architects, engineers, contractors, subcontractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Board or the Managing Agent;

(f) diligently and prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(g) by contractors that shall be duly licensed to the extent required by applicable Legal Requirements; and

(h) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings and the boards of fire underwriters having jurisdiction thereof, including, without limitation, Legal Requirements relating to licensing of contractors, obtaining of all necessary governmental permits, authorization, certificate and licenses for the commencement and completion of any Alterations and obtaining of any amendment to the certificate of occupancy for such Unit, if necessary.

6.7.3 Alterations- Miscellaneous.

(a) The Unit Owner performing, causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of: (i) any amendment of the Declaration and the floor plans of the Condominium, if required by the Board or by any applicable Legal Requirements, to reflect any such Alterations, (ii) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (copies of which shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any Alterations), and obtaining any amendment to the certificate of occupancy for such Unit, if necessary; provided that no work or change by or on behalf of a Residential Unit Owner will be permitted without the consent of the Board (which consent may be withheld or conditioned in the sole discretion of such Board) if such work or change would result in any amendment to the certificate of occupancy for the Building; and (iii) any reasonable architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit

Owner making, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost or expense either: (A) in connection with the preparation, execution or submission of the applications referred to above; (B) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or permitted or caused to be made by any Unit Owner; (C) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (D) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, any Alteration shall be deemed to have agreed to indemnify, defend and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense (directly or indirectly) arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage, injury or liability, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

(b) Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit shall, if and to the extent required by law or such department or authority, be executed by the Board, in the case of any Alteration which such party has approved (or for which its approval is not required), provided that the Board shall not incur any liability, cost or expense in connection with or by reason of executing such application.

(c) All of the Units contain structural elements (by way of example only columns, or bracings installed on exposed brick walls) that are integral to the structure of the Building and cannot be removed, altered, modified or interfered with in any way whatsoever without the express written consent of the Board and the Board's architect's, engineer's, and other professional consultants, in their sole and absolute discretion. All Alterations must be performed pursuant to the terms of an alteration agreement between the Unit Owner and the Board as described in these By-Laws. Any costs incurred by the Board (including without limitation, reasonable attorney's fees, engineer fee's and fees of other professional consultants) shall be borne solely by the Unit Owner seeking to make such Alteration.

(d) Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, (x) Sponsor and its designees shall each have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board: (i) to make any Alterations in or to any Unsold Units and/or Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary (including, without limitation, those required under the Offering Plan, any Purchase Agreement or otherwise); and (ii) to subdivide, combine and change the boundary walls of Unsold Units and (y) the provisions of this Section 6.7 shall not apply to Sponsor (or the owner of an Unsold Unit), except that Sponsor (and the owner of an Unsold Unit) shall at all times comply with applicable law.

(e) **The Condominium Board any Unit Owner desiring to perform alterations in the** future may be required to undertake certain precautionary measures prior to the commencement of any renovations that could disrupt a suspect ACM material, including: (a) conducting a full survey of all areas of the Unit or the Property, as the case may be, to be

disturbed during renovations in conformance with the Asbestos Guidelines, regardless of whether such survey is otherwise required by law; (b) if applicable, the safe abatement or removal of any ACM identified in such survey, in each instance to be carried out in compliance with all applicable legal requirements and best practices relating thereto; and (c) abiding by any rules and regulations of the Condominium Board with regard to carrying out renovations where ACM is present.

As more particularly set forth herein, Unit Owners performing alterations in their Units may be required to enter into an alteration agreement with the Condominium Board, which alteration agreement may contain certain provisions (the "ACM Provisions") requiring compliance by the Unit Owner with the foregoing requirements of this Special Risk 46, and may provide that: (i) prior to performance of any ACM abatement, the Unit Owner will notify the Condominium Board regarding the presence of ACM and submit to the Condominium Board for approval a proposed plan of abatement, as well as the name(s) and qualifications (including licenses, insurance policies and summary of qualifications) of any ACM consultant(s) and contractor(s) the Unit Owner intends to use for such ACM abatement, along with the name and qualifications (including licenses and evidence of insurance policies) of the contractors, handlers and ACM supervisors who are to perform ACM abatement; (ii) upon receipt of the Condominium Board's approval of the consultant(s), contractor(s), and plans for abatement, the Unit Owner will retain such consultant(s) and contractor(s) to abate the ACM in the Unit, in conformance with all federal, state and local legal requirements (collectively, the "Abatement"); (iii) in connection with such Abatement, the Unit Owner will furnish the Condominium Board with copies of all reports, tests and filings that are required by applicable legal requirements and with a copy of the final report which is to be provided by the Unit Owner's ACM consultant; and (iv) in the event the approved Abatement plan involves any removal of ACM, the Unit Owner will cause the ACM hauler to furnish the Board with lists of all dump locations to be used, and a certification that the dump sites are EPA-approved, and thereafter furnish to the Board all dump tickets and disposal manifests. Such alteration agreement shall require that: (a) the Unit Owner's consultant(s) and contractor(s) comply with all federal, state and local legal requirements relating to the Abatement and (b) the Unit Owner shall, to the maximum extent permitted by applicable legal requirements, indemnify the Sponsor, Condominium Board, the Unit Owners, and each of their agents, employees, and their respective affiliates, heirs, successors and assigns and any other party as determined by the Condominium Board, for any loss, cost, expense (including without limitation attorneys' fees and disbursements), damages, liabilities or fines arising from any failure by the Unit Owner or any consultant or contractor retained by the Unit Owner to fully conform to all of the requirements pertaining to the ACM Provisions or in the defense of any suit, action, claim or violation in connection with the Abatement; (c) in the event the approved Abatement plan involves removal of ACM, the Unit Owner shall cause its contractors to obtain in addition to any other insurance required under the alteration agreement, a hazardous materials transportation liability insurance policy with limits not less than $2,000,000 (or such other limit as determined by the Condominium Board, in its sole and absolute discretion, at the time in question) for bodily injury and property damage or, shall otherwise arrange for the Condominium Board, the Board, Sponsor and the Managing Agent, and any other parties determined by the Condominium Board, to be named as additional insureds on the policy of the contractor's waste transporter, which policy, in either case, shall specifically cover all claims and groups of people who might bring claims relating to ACM.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to the Common Elements will be made by the Board. Except as otherwise expressly provided in these By-Laws, the costs of alterations, additions or improvements to the General Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Residential Common Elements will be charged to all Residential Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Residential Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs which are capital in nature and would cost more than $250,000 (subject to increase by the CPI Increase Factor), in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including the approval of the Commercial Unit Owner (if the Commercial Unit is liable for any portion of the cost thereof) and the approval of Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners and by the Mortgage Representatives, or unless the same is a non-capital repair or necessary to comply with applicable Legal Requirements, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges. Any additions, alterations, or improvements costing $250,000 (subject to increase by the CPI Increase Factor) or less, in the aggregate, in any calendar year or which is a non-capital repair may be made by the Board without the approval of the Unit Owners.

6.9 Use of Residential Units. A Residential Unit may be used only as a residence and, subject to compliance with these By-Laws, for a lawful home occupation. A Residential Unit may only be occupied by: (i) any individual who is a Residential Unit Owner or permitted lessee; (ii) any officer, director, shareholder or employee of any corporation which is a Residential Unit Owner or permitted lessee; (iii) any partner or employee of any partnership which is a Residential Unit Owner or permitted lessee; (iv) any member or employee of any limited liability company which is a Residential Unit Owner or permitted lessee; (v) the fiduciary or beneficiary or employee of any fiduciary which is a Residential Unit Owner or permitted lessee; (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Residential Unit Owner or permitted lessee; provided that in each instance in clauses (ii) through (vi) above: (A) the designated officer, director, shareholder, partner, member, fiduciary, beneficiary, principal or employee is designated as the primary occupant of the Residential Unit and is not being designated to use the Residential Unit on a transient basis or as other than the primary occupant; and (B) such use is not, in fact or in effect, part of in furtherance of a program, plan, entity, agreement or other arrangement providing for short-term, fractional or shared use and/or ownership of such Unit, including, without limitation, as part of a travel club, “home share” platform such as AirBnB or Onefinestay, vacation rental platform such as VRBO, or any enterprise having similar attributes; and (vii) family members, domestic employees and/or non-paying guests of any of the foregoing. Notwithstanding the foregoing, Sponsor may use any

Unsold Residential Unit for any lawful purpose and may lease a Residential Unit for any term, which may be for a term than less than one (1) year and on a transient basis.

6.10 Use of Common Elements; Use of Adjacent Sidewalks.

6.10.1 Except as otherwise provided herein or in the Declaration, Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.10.2 In no event shall any Unit Owner impair, restrict or impede the use of the Common Elements by any other Unit Owner or anyone claiming by, through or under any other Unit Owner.

6.10.3 The Owner or Owners of any one or more Residential Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Unit or Units located at the end of such hallway) and not affecting access in any material way or service (including, without limitation, heating, ventilating and air conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and subject to the consent of the Board (which consent may be granted or withheld in the Board's sole discretion and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that notwithstanding the provisions of Subsection 6.1 hereof, such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Use of the Common Element as described above shall not materially and adversely affect the Condominium or any other Unit Owner.

6.10.4 Notwithstanding anything to the contrary contained herein, Sponsor and its designees shall have the right, until the tenth (10th) Anniversary of the First Closing, to use portions of the Building, without charge, for exhibitions or for other promotional functions with respect to Sponsor's sales program or otherwise.

6.10.5 The Commercial Unit Owner shall not:

(a) permit its or its occupants' respective employees, agents, heirs, distributees, executors administrators, legal representatives, successors, and assigns, to enter or use the Building's lobby or other public areas of the Building (other than pursuant to a written agreement with the Condominium), nor have access or use of the Residential Passenger Elevator (except as expressly permitted in Section 15.9 of the Declaration); and/or

(b) except in an emergency, permit, bring into, or have delivered from the street, any deliveries whatsoever, to the Commercial Unit through the lobby of the Building.

6.11 Right of Access.

6.11.1 Each Unit Owner grants a right of access to its Unit and the Residential Limited Common Elements appurtenant thereto to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and having a reasonable likelihood of causing damage to another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical, plumbing or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance, and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by tenants and occupants of the Commercial Unit or with the use of the other Units for their permitted purposes. In case of an "emergency", as defined in subsection 6.6.6, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner or tenant is present.

6.11.2 Each Unit Owner grants a right of access to its Unit and, in the case of a Residential Unit, any Residential Limited Common Elements appurtenant thereto, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of performing certain Alterations and repairs in or about the Unsold Units, complying with and fulfilling each such party's obligations as set forth in the Plan and other documents relating to the Renovations, development and operation of the Property (including the Units therein), performing post-closing Residential Unit "punchlist" work, and exercising its other rights or performing its other obligations under the Plan. Sponsor will repair any damage caused as a result of such access and will use reasonable efforts to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. Sponsor and any successor Sponsor's rights under this Section shall continue (a) notwithstanding that no Unsold Units remain, and (b) until Sponsor has no remaining obligations under the Offering Plan or under a Unit Agreement (i.e., post-closing Residential Unit "punchlist" work), or otherwise, or if and when Sponsor relinquishes any easements granted to it which survive the closing of title to all Units.

6.11.3 In the event that the Board is required to make any modifications to a Unit (or portion thereof) in connection with the performance of its maintenance and Repair obligations under the Condominium Documents (by way of example only, and without intending to limit the generality of the foregoing, altering/opening up a wall to access a pipe, conduit or other piece of equipment), the Board's sole obligation shall be to restore the Unit to good order and condition, however the Board shall not be required to restore improvements that the Unit Owner had made to such part of the Unit (by way of example only, the Board will not be obligate

to repair or replace wallpaper, other installations or decor that the Board may have had to remove in connection with its access).

6.12 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations concerning the use of the Residential Units and Common Elements (the "Rules and Regulations"). The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Residential Unit Owners may overrule the Board with respect to any such modification, amendment or addition; and (b) no such adoption, modification, amendment or addition affecting Sponsor or the Unsold Units may be made unless agreed to, in writing, by Sponsor or its designee. Notwithstanding the foregoing or anything to the contrary contained herein or in the Declaration, the Rules and Regulations shall not be applicable to or binding upon the Commercial Unit Owner or the occupants of the Commercial Unit. Copies of any newly adopted Rules and Regulations, or any modifications, amendments or additions thereto shall be furnished by the Board to each Residential Unit Owner not less than thirty (30) days prior to the effective date thereof.

6.13 Real Estate Taxes, Water and Sewer Services.

6.13.1 Water and sewer services for the Building shall be supplied by the City of New York or other utilities servicing the Property. Unless and until water charges and sewer rents are billed directly to Residential Unit Owners by the proper authority, the Board shall promptly pay such charges, together with all related sewer rents arising therefrom, and allocate such costs as a Common Expense among the Residential Unit Owners, as reasonably determined by the Board, based on the basis of percentage of Common Interest as set forth in Schedule B, and the Residential Unit Owners shall be required to reimburse the Board, as a Common Charge, for their share of such charges and rents. In the event Sponsor pays such charges on behalf of the Board, (a) the Board and/or Unit Owners shall be required to reimburse Sponsor for such charges, or (b) Sponsor shall be entitled to offset the amount paid for such charges against future costs allocated to Sponsor. The water for the Commercial Unit will be separately metered or sub-metered and paid by the Unit Owner of such Commercial Unit.

6.13.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Property to the Department of Finance of the City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units on the basis of percentage of Common Interest as set forth in Schedule B. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. In the event Sponsor pays such taxes on behalf of the Board, Sponsor shall be entitled to offset the amount paid against future costs allocated to Sponsor. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense.

6.13.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of

such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.13.4 The Condominium Board, on behalf of and as agent for all Residential Unit Owners, and on behalf of the Commercial Unit Owner to the extent requested and authorized to do so in writing by the Commercial Unit Owner, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units owned by such Unit Owners. All such Unit Owners will share, and indemnify the Condominium Board as to, the costs in connection with such proceedings and the benefits derived therefrom.

In the event the Commercial Unit Owner individually seeks to have the assessed valuation of its Commercial 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 Commercial Unit Owner in pursuing such reduction, provided that such Commercial Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) resulting from such proceedings).

6.14 Electricity. Electricity for each Unit shall be billed through separate electric meters or submeters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit directly to the utility company. Consumption with respect to the Common Elements will be determined by a separate meter and allocated by the Board among the Units or the Residential Units, as applicable, on the basis of percentage of Common Interest.

6.15 Gas. Gas for the Building shall be supplied and billed through one or more gas meter(s). In the event that the Commercial Unit ever utilizes gas service, the gas will be submetered and paid by the Unit Owner of such Commercial Unit. The charges for any other gas utilized at the Building shall be paid by the Board as a Common Expense and allocated among the Residential Units on the basis of percentage of Common Interests.

6.16 Dispute as to Utilities Charges. To the extent permitted under applicable law (including but not limited to, the Official Compilation of Codes, Rules and Regulations of the State of New York, Title 16, Public Service, Part 96, as amended), in the event that there is a dispute as to the accuracy of assessing the charges for a utility upon the basis of usage, and the disputing Residential Unit Owners and/or the Board fail to agree on a manner to accurately allocate such costs, the matter shall be determined by Arbitration.

6.17 Refuse and Recycling Disposal. There will be trash and recycling receptacle cans located within the Cellar of the Building. Each Unit Owner will be responsible for packing its trash and recyclables and bringing same to the Cellar in the basement and for disposing of same in the designated trash and recycling receptacles. All Unit Owners must carefully pack trash to ensure that all bags are securely closed, that trash is not left in any of the hallways or other public areas during transport and that once placed in receptacle bins, the bins are securely closed and trash is not exposed. Trash will be brought to the street for pick up by the Condominium's maintenance staff.

The Commercial Unit Owner will be responsible, at its sole cost and expense, for storing and disposing of its refuse in a manner which complies with all applicable Legal Requirements, and for engaging its own carting company for such removal. The Commercial Unit Owner is not permitted to store any trash or recycling in the trash room in the Cellar

6.18 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners

6.18.1 The violation of any of the Rules and Regulations (as they apply to the Residential Units) or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone, electronic mail or facsimile) that such violation exists, that repairs or replacements are necessary and that the Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.18.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations (as they apply to the Residential Units) or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.19 Use of Commercial Unit. The Commercial Unit may be used for any lawful purpose, including, without limitation, for retail, restaurant, banking, commercial or office purposes. Notwithstanding the foregoing, the Commercial Unit may not be used as a pornography store, massage parlor, drug treatment facility or homeless shelter. No income derived from any use of the Commercial Unit will constitute income to the Board or the Residential Unit Owners.

6.20 Signage. Except as may otherwise be expressly provided herein, no Residential Unit Owner may install, inscribe or expose any Signage on or at any window or any other part of the Common Elements. The Commercial Unit Owner and any tenant or tenants of the Commercial Unit pursuant to the terms of any lease pertaining thereto shall have the right and an easement to erect, maintain, repair and replace or cause to be erected, maintained repaired and replaced, from time to time, Signage in accordance with the provisions of the Declaration and all applicable Legal Requirements, including without limitation, requirements of the Landmarks Preservation Commission, at its sole cost and expense. Additionally, notwithstanding the foregoing, Sponsor and any holder of Unsold Units and the Board shall have an easement to erect, maintain, repair and replace Signs, notices, advertisements and illuminations on portions of

the Property, including, without limitation, on the exterior of the Building, on or at windows and in interior public spaces of the Building (but in no event within the interior of or on the exterior of the Unit owned by any other party), for the purposes of advertising the availability of Units for sale or lease by Sponsor or its designee and/or, in the case of the Sponsor, for any other lawful purpose.

6.21 Vestibules.

6.21.1 Certain vestibules (identified as "vestibules" on the Floor Plans) (the "Vestibules") are located immediately appurtenant to the Residential Units, as shown on the Floor Plans. The Vestibules are identified as part of the Units (and the square footage allocated to each Residential Unit listed on Schedule B is inclusive of the Vestibules). Vestibules are available for the exclusive use of the Residential Unit Owner of the Residential Unit to which such Vestibules are appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations as are in effect from time to time. Each Residential Unit Owner shall be responsible for all ordinary maintenance, repairs and replacements to the Vestibules appurtenant to its Residential Unit; however, the costs and expenses of any structural or extraordinary repairs or replacements (unless due to the negligence, misuse, neglect or abuse of such Residential Unit Owner or its tenant, agent, invitee, licensee or guest, in which event such Residential Unit Owner shall bear the entire cost thereof), shall be charged to all Residential Unit Owners as a Common Expense.

6.21.2 Personal property, equipment, furniture or furnishings or other installations (collectively, the "Installations") are expressly prohibited from being placed in such Vestibules. The Condominium Board (and other aforementioned parties) shall have the right and easement (and the Unit shall be subject to such right and easement) to access Vestibules and Mechanical Rooms, in connection with any repair or maintenance work in the Building (e.g., accessing any paneling or any other areas of the Vestibule and/or Mechanical Room that may house equipment, facilities, conduits and the like). All proposed alterations, additions, improvements and repairs, including without limitation, installation of light fixtures and cosmetic decorations (such as, but without limitation, the hanging of wallpaper and painting) and the like to Vestibules shall require the prior written approval of the Board and shall be treated as any other alteration to a Unit under the Condominium Declaration and By-Laws.

6.21.3 Without limiting the foregoing, Purchasers are advised that, with respect to Vestibules, the following rules and regulations shall apply and the Board may adopt such additional rules and regulations regarding same from time to time: Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Vestibules must be kept clean and free from debris and obstructions. In no event shall any Residential Unit Owner be permitted to enclose any Vestibule without the consent of the Board and without complying with all alteration requirements set forth in the By-Laws. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed in a Vestibule. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed in any Vestibule

6.22 Mechanical Rooms. Within each Residential Unit there is one or more mechanical rooms (identified as "mech" on the Floor Plans) (the "Mechanical Room") that is

part of (and included within the square footage of) such Residential Unit as shown on Schedule B. Limited personal property that is light weight and easily moveable may be stored in available space in the Mechanical Room, however, there are access panels to equipment and utilities serving the Building in the Mechanical Rooms that the Condominium Board (and its agents, maintenance person, repair persons, other contractees, etc.), will routinely require access to, and accordingly, the Mechanical Rooms and access panels therein must be easily accessible to the Condominium Board. It shall be each Residential Unit Owner's obligation to ensure that access to and within the Mechanical Room within its Residential Unit are accessible at all times and that same is kept free and clear of debris and obstructions. Residential Unit Owners are not permitted to close off or block in any manner access to these access panels at any time. In the case that access to a Mechanical Room or access panel within is blocked or closed off, the Board shall have the right, at the Unit Owner's sole cost and expense, and without any liability, to remove any installations made and re-establish access as it deems necessary and appropriate. The Residential Unit Owners right to make Alterations and Repairs to this portion of its Residential Unit is subject to the Condominium's easement rights and the terms above.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. Each Unit Owner shall have the right to mortgage its Unit, subject only to the terms and conditions set forth in this Article 7. A Residential Unit Owner who mortgages its Unit owned by such Unit Owner, or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit, other than Permitted Mortgages. A Residential Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with the Board. The Commercial Unit Owner may mortgage its Unit(s) without any restriction or limitation.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a Permitted Mortgagee of a Unit, the Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any Permitted Mortgagee thereof, if so requested in writing by such Permitted Mortgagee; however, the Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by its mortgagor, provided that the Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure. In addition, the Permitted Mortgagee of a Unit shall be provided with timely written notice of any condemnation or casualty loss that affects either a material portion of the Building or the Unit securing the Permitted Mortgage.

7.3 Performance by Permitted Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these

By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Representatives of Mortgagees.

7.5.1 The holders of Institutional Mortgages constituting a majority of the outstanding principal amount of all Institutional Mortgages encumbering the Residential Units may, at their election, designate in writing to the Board one or more (but not more than three) representatives ("Residential Mortgagee Representatives"), which Residential Mortgagee Representatives shall be empowered to act on behalf of all holders of Institutional Mortgages encumbering the Residential Units with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. The holders of Permitted Mortgages encumbering the Commercial Unit may, at their election, designate in writing to the Board the holder of the highest mortgage encumbering a Commercial Unit, or its designee, corporate or otherwise, as their representative (the "Commercial Mortgagee Representative"), which Commercial Mortgagee Representative shall be empowered to act on behalf of all holders of Permitted Mortgages encumbering the Commercial Unit with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgagee Representatives or the Commercial Mortgagee Representative are so designated and notice thereof is given to the Board, the act of any such Representative (or a majority of such Representatives, if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages encumbering the Residential Units or the Commercial Unit, respectively. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units, (a) which is a Permitted Mortgage or a mortgage encumbering a Unit then owned by Sponsor or its designee, and (b) the initial holder of which is (i) Sponsor or its designee, (ii) a savings bank, savings and loan association, bank, trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a Federal, state, municipal, teachers', union or corporate employee, welfare, pension or retirement fund or system. The Residential Mortgagee Representatives and Commercial Mortgagee Representatives are sometimes referred to collectively herein as the "Mortgage Representatives."

7.5.2 Any designation of a Residential Mortgagee Representative or Commercial Mortgagee Representative shall remain effective until a subsequent designation is made pursuant to the provisions hereof and notice of such subsequent designation is given to the Board.

7.6 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. No Unit Owner (other than Sponsor or its designee) may sell or lease its Unit except by complying with the provisions of this Article 8 (as applicable) and, with respect to Residential Unit Owners, specifically, this Section 8.1. Subject to the terms of Section 8.7 hereof, each Residential Unit Owner may sell its Residential Unit or lease its Residential Unit for terms of one year or more only (or for such other period of time as may be determined by the Unit Owners pursuant to an amendment of this provision in accordance with Section 13.1).

8.1.1 Subject to the terms of Section 8.8, any contract to sell a Residential Unit, together with its appurtenant Common Interest, or any lease of a Residential Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of The 57 Lispenard Street Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of The 57 Lispenard Street Condominium. (The Residential Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offeree Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(a) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier providing overnight delivery; such notice shall be accompanied by a fully completed application package, which the Offeree Unit Owner shall obtain from the Managing Agent, together with a fully executed duplicate original of the Sale Agreement or Lease and any and all related agreements, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Residential Unit, together with its appurtenant Common Interest, or to lease its Residential Unit, as the case may be, to the Board, or its designee, (as the representative of all Residential Unit Owners), upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board (as the representative of all Residential Unit Owners), that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall promptly submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such information, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by nationally recognized overnight courier, to such Offeree Unit Owner before the expiration of such twenty (20) day period either to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee), on behalf of all Residential Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease, as such terms and conditions may be modified or supplemented by any additional information provided by the Offeree Unit Owner in response to the Board's requests for information as provided above.

8.1.2 If the Board shall timely elect to purchase such Residential Unit, together with its appurtenant Common Interest, or to lease such Residential Unit, as the case may be, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within sixty (60) days after the giving of notice by the Board of its election to accept such offer. However, if the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease Agreement shall be later than sixty (60) days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease that are required to be performed by the Outside Offeror (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Residential Unit and assume or take title to the Residential Unit (on behalf of all Residential Unit Owners only) subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, as the representative of all Residential Unit Owners only, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, as tenant, covering such Residential Unit, for the rental and term contained in the Lease. Notwithstanding anything contained herein to the contrary, any election made by the Board to purchase or lease a Residential Unit pursuant to the terms of this Article 8.1 shall be made solely on behalf of the Residential Unit Owners and the Commercial Unit Owner shall not bear any cost, expense or liability in connection with the Board's election.

8.1.3 If the Board or its designee shall fail to accept such offer within twenty (20) days after receipt of notice and all other documents and information to be provided under this Article 8, or waives such election in writing within such twenty (20) day period, the Offeree Unit Owner shall have until (a) an additional sixty (60) days after the earlier of (i) the expiration of such twenty (20) day period or (ii) the Board's waiver in writing by the Board, or (b) such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such sixty (60) day period (or by such later date for closing or occupancy provided in the Sale Agreement or Lease, as applicable), so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws and the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of: (i) a default by the tenant in the performance of its obligations under such Lease or a default by or caused by such tenant under any of the provisions of these By-Laws; or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York, the Declaration, these By-Laws or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to the Declaration, these By-Laws and the Rules and Regulations.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If a Residential Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock, or if a Residential Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, in each case, other than through any recognized national securities exchange or "over-the-counter" market, which results in a change in the majority beneficial or legal ownership of such entity, shall also subject the Residential Unit owned by such entity to the requirement that the Residential Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of such Unit Owner as the purported seller or landlord, as the case may be. Such Unit Owner shall reimburse the Board for all expenses (including, without limitation, attorneys' fees and expenses) incurred in connection with such proceedings, promptly upon demand therefor. In no event shall any purported sale or lease of a Unit in violation of this Section 8.1 release the Unit Owner who is the purported seller or lessor, as the case may be, from any of its obligations under the Declaration or these By-Laws, whether or not such sale or lease is voided by the Board.

8.1.9 If the Board exercises its right of first refusal to purchase or to lease pursuant to Section 8, the Offeree Unit Owner shall have the right to proceed with sale or lease

to the Board, or alternately, shall have the right to withdraw the Sale Agreement or Lease, as applicable, as presented to the Board. The Offeree Unit Owner must notify the Board of any such withdrawal within five (5) days of the Offeree Unit Owner's receipt of notice of the Board's exercise of its right of first refusal.

8.2 Consent of Residential Unit Owners to Purchase or Lease of Residential Units by Board. Subject to the terms of these By-Laws, the Board may waive any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of the Unit Owners. However, the Board may not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a majority in interest of all of the Residential Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for its consideration of any right of first refusal, which fees shall be payable by the selling or leasing Residential Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of Section 8.1 have been satisfied by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase, or Refinancing, of Units by Board. The purchase of any Residential Unit together with its appurtenant Common Interest, by the Board or its designee, on behalf of all Residential Unit Owners, may, at the option of the Board, be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Residential Unit Owners. The Board may levy an assessment against each Residential Unit Owner, in proportion

to its respective Common Interest, as an additional Common Charge, and/or the Board, in its discretion, may finance the acquisition of such Residential Unit and subsequently refinance such Residential Unit (on such terms and in such amount(s) as the Board determines); provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Condominium Property (except to the extent permitted by law) other than the Residential Unit to be purchased or refinanced, as the case may be, together with its appurtenant Common Interest. Notwithstanding anything contained herein, the Commercial Unit Owner shall not under any circumstances bear any costs, expenses, or liabilities as a result of the purchase of any Residential Unit by the Board or its designee hereunder.

8.7 Exceptions. In addition to any other exceptions hereinbefore set forth, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Commercial Unit, together with its appurtenant Common Interest. Further, the provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Residential Unit, together with its appurtenant Common Interest, by: (a) the Residential Unit Owner thereof to his or her spouse, domestic partner, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (an "affiliate" being defined as for purposes hereof as a person or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, or an entity with respect to which such Unit Owner or owner of an interest in a Unit Owner owns 50% or more of the legal and beneficial interest) of the Residential Unit Owner thereof or the owner of any controlling interest in a Residential Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor, or its affiliates, or its designee with respect to Unsold Units; (c) the Board; (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of a Residential Unit to a Permitted Mortgagee or a purchaser at a foreclosure sale of a Permitted Mortgage in connection with a foreclosure or sale in lieu of same.

8.8 Gifts, Devises and Intestate Transfers. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of 8.1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

8.10 Payment of Assessments. No Unit Owner shall be permitted to sell, convey, mortgage, pledge, hypothecate or lease its Unit unless and until it shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Unit and until such Unit Owner shall have satisfied all unpaid liens against its Units, other than Permitted Mortgages. Each Unit Owner shall notify the Managing Agent at least five business days prior to the closing of any of the aforementioned transactions for confirmation of any unpaid amounts.

8.11 Sales and Leases of the Commercial Unit. Subject to the Commercial Unit Owner's compliance with Article 8.3 hereof, there shall be no restrictions on the rights of the Commercial Unit Owner to sell or lease the Commercial Unit, provided that any deed or lease to such Unit shall expressly state that the acceptance thereof by the grantee or tenant, as applicable, shall constitute an assumption of all of the provisions of the Declaration and these By-Laws, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.12 Mortgage of Units. Subject to Article 7 and Section 8.10, each Unit Owner shall have the right to mortgage its Unit without restriction.

8.13 Prohibition on Advertising. Residential Unit Owners may not and shall not advertise, list for sale or sell its Residential Unit for twelve (12) months after acquisition of the Residential Unit (i.e., the transfer of title by Sponsor to Purchaser) and Residential Unit Owners shall not, without the consent of Sponsor list for rent or lease its Residential Unit for twelve (12) months after acquisition of the Residential Unit, without the prior written consent of Sponsor, which shall be granted or denied in Sponsor's sole discretion. Any such conveyance or lease in violation of the foregoing will be voidable by Sponsor. This provision shall only remain in effect for so long as Sponsor continues to own a Residential Unit.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements affected by such taking. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $2,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.7 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be: (a) borne and shared by all Unit Owners with respect to any taking of General Common Elements pro rata in accordance with their respective Common Interests percentages; and (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Common Elements pro rata in accordance with their respective Common Interests percentages; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order of the

priority of such liens. Notwithstanding any provisions contained herein to the contrary, if 75% or more of the Residential Common Elements and/or General Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless owners of Units representing at least 75% in number and aggregate Common Interests of all affected Unit Owners (including Sponsor or its designee, if they shall then own any Units) shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the sale, and net proceeds of any condemnation awards shall be divided among all Unit Owners: (i) first, by apportioning such proceeds in the aggregate among each class of Unit (i.e., Residential and Commercial) pursuant to an appraisal of fair market values to be performed by a panel of three independent appraisers (one of whom shall be selected by the Board, one of whom shall be chosen by the Commercial Unit Owner, and the third chosen by the other two appraisers selected); and (ii) then, among the Unit Owners of each class of Unit in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than sixty (60) days after the date notice is given of such taking. Any dispute between the Board and a Unit Owner under this Article 9 shall be settled by Arbitration (as provided in Article 11).

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board (or the Managing Agent) shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within approximately six months after the end of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant or an independent certified public accounting firm, shall be submitted by the Board to all Unit Owners, and to all Permitted Mortgagees of Units, who have requested the same in writing. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be

available for inspection by Unit Owners and their authorized agents during reasonable business hours and upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Except as may otherwise be expressly provided in these By-Laws or the Declaration, any arbitration provided for in these By-Laws or the Declaration ("Arbitration") shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such Arbitration shall be binding upon the parties and may be entered in any court having jurisdiction; provided that, in the case of Arbitration of issues arising under Section 6.4 and 6.5, any arbitrator shall be a real estate professional, having 10 or more years of experience in the field of Manhattan residential real property. Notwithstanding the foregoing, any Arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any Arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after his or her appointment.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the Arbitration or, if the position of neither party to a dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the parties to the dispute. Each disputant shall also bear the fees and expenses of its counsel and expert witnesses. Subject to the foregoing, all costs and expenses paid or incurred by the Board in connection with any Arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to Arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Declarant or Sponsor is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Units, the Building has been fully completed, a permanent certificate of occupancy therefor has been issued and Declarant or Sponsor has no remaining obligations under the Offering Plan or otherwise.

12.2 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.4 Conflict. In the event the provisions of these By-Laws or the provisions of the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 Certain References.

12.5.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.5.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these By-Laws in their entirety and not to the particular provision in which the terms are used.

12.5.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5.4 Unless otherwise expressly stated herein to the contrary, all references herein to dollar amounts shall be adjusted from time to time, after the date this Declaration is entered into, to reflect any increase in the cost of living, as reflected by an increase in the CPI Increase Factor. The term "CPI Increase Factor" as used herein shall mean an increase proportionate to any increase in the cost of living from and after the date of initial recording of this Declaration, as reflected by the change in the Consumer Price Index (CPI-U; All Items; 1982-84 = 100 standard reference base period) for New York, New York (or the smallest measured area including New York, New York), as published by the Bureau of Labor Statistics, United States Department of Labor or, if the same ceases to be published, a commonly used substitute therefor reasonably selected by the Board.

12.6 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law.

12.7 Insurance Trustee. The "Insurance Trustee" shall be a bank or trust company having an office located in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall

be a commercial bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more, subject to increase by the CPI Increase Factor. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.8 Successors and Assigns. The rights and obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the express consent of Sponsor or its designee, any transferee of two or more of the then Unsold Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.9 Covenant of Further Assurances.

12.9.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.9.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action which such Unit Owner or other party is required to perform pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, on behalf of such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners; Condominium Board; Sponsor.

13.1.1 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, or the Commercial Unit or the Commercial Unit Owner: (a) any provision of the Declaration, these By-Laws or the Rules and Regulations affecting only the Residential Units or the Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners; provided, however, that the same shall not be effective without the written consent

(which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any; (b) any provision of the Declaration or these By-Laws affecting only the Commercial Unit or the Commercial Unit Owner may be amended, modified, added to or deleted by the affirmative vote of the Commercial Unit Owner (or of 66-2/3% in number and in Common Interest of the Commercial Unit Owners if there ever shall be more than one Commercial Unit Owner as a result of a subdivision of the Commercial Unit); provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Commercial Mortgagee Representative, if any; (c) any provision of the Declaration, these By-Laws affecting the General Common Elements or all Unit Owners, may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners; provided, however, that the same shall not be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgagee Representative, if any, and the Commercial Mortgagee Representative, if any; and provided in each of the foregoing cases, however, that the permitted use(s) of a Unit or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby.

13.1.2 Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee), any Unsold Units, or the Commercial Unit or the Commercial Unit Owner, each duly adopted amendment, modification, addition or deletion to the Declaration and By-Laws, shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Residential Unit Owners, the Commercial Unit Owner or all Unit Owners, as the case may be, and the Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact and shall be effectuated by an instrument recorded in the City Register's Office and the same shall not be effective until so recorded.

13.1.3 Notwithstanding anything to the contrary contained herein, Sponsor or the Condominium Board may amend the Condominium Documents, without the consent of any Unit Owner, or, in the case of Sponsor, the Condominium Board, but upon at least five (5) business days' advance notice to the Condominium Board and other Unit Owners, to correct or supplement any patent nominal mistakes, inconsistencies or scrivener's errors.

13.2 Amendments Affecting Sponsor or its Designee.

13.2.1 Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of the Declaration, these By-Laws or the Rules and Regulations shall be effective in any way against: (a) Sponsor or its designee, for so long as Sponsor or its designee is the owner of one or more Units, or any Unsold Unit, unless Sponsor or its designee, as applicable, has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

13.2.2 If the number of rooms in an Unsold Unit is changed, or the size and/or number of Unsold Units is changed (whether as a result of a subdivision or combination of Unsold Units or alteration of boundary walls between Unsold Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all

in accordance with Article 9 of the Declaration, then Sponsor or its designee shall have the right to execute, or (upon its request) to require any other Residential Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as Sponsor or its designee deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Unit or in the size and/or number of Unsold Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests in the Common Elements resulting therefrom, all without the approval of the Board, any other Unit Owners or the Residential Mortgagee Representative(s), if any, or Commercial Mortgagee Representative(s), if any.

13.3 Amendments Affecting Permitted Mortgagees. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of Sections 6.1, 6.2.2 or 6.4, Article 7, or clauses (d) and (e) and the second sentence of Section 8.7 of these By-Laws shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

13.4 Amendments Affecting Commercial Unit.

13.4.1 If the number of rooms, the layout or the size of one or more Commercial Unit(s) is changed and/or the percentage interest in the Common Elements appurtenant to such Commercial Unit(s) is reapportioned (whether as a result of a subdivision or combination of such Commercial Unit(s) or the alteration of boundary walls between such Commercial Unit, or otherwise) among any newly created or constituted Commercial Unit as a result thereof, then the Unit Owner(s) of such Commercial Unit(s) shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to the Declaration (together with such other documents as such Commercial Unit Owner(s) deems appropriate to effectuate the same) reflecting such change in the number of rooms, the layout or the size of such Commercial Unit(s) and/or the subdivision or combination of Commercial Unit and the reapportionment of the percentage interests in the Common Elements among such newly created or constituted Commercial Units, all without the approval of the Board, any other Unit Owners or the Residential or Commercial Mortgagee Representatives, if any.

13.4.2 Notwithstanding the foregoing, none of the Declaration, these By-Laws or the Rules and Regulations may be amended, modified or terminated in any manner which adversely affects a Commercial Unit or a Commercial Unit Owner, including without limitation, any amendment that seeks to modify the permitted uses of the Commercial Unit, without the consent of the Commercial Unit Owner.

13.5 Deemed Approval Provision. Notwithstanding anything to the contrary contained herein, if any Unit Owner is notified in writing that its consent to a proposed amendment or modification to the Declaration, these By-Laws or the Rules and Regulations is requested, then, provided that such notice contains a copy of the proposed amendment or modification (and a statement in bold capital letters to the effect that if such Unit Owner does not notify the sending party in writing within ten (10) Business Days after such Unit Owner receives such notice

(together with a copy of such amendment or modification), that such Unit Owner disapproves such proposed amendment or modification, then such Unit Owner shall be deemed to have approved such amendment or modification. The provisions of this Section 13.5 shall not apply to notices given to Sponsor or any other holder of Unsold Units requesting the Sponsor's or such holder's consent to a proposed amendment or modification.

13.6 Consents of Sponsor and/or the Commercial Unit Owner. The provisions of: (a) this Article 13 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or its designee; and (b) Section 13.4.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner.

EXHIBIT A

RULES AND REGULATIONS APPLICABLE TO RESIDENTIAL UNIT OWNERS OF THE 57 LISPENARD STREET CONDOMINIUM

1. The entrances, passages, public halls, Residential Passenger Elevator, Vestibules, Mechanical Rooms, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Residential Unit Owners and their invitees other than the respective purposes for which they were intended. There shall be no blocking of entranceways, passageways or vestibules, and no waiting or loitering in the lobby and no double parking of limousines, trucks or cars in the front of the Building.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, Vestibules, Mechanical Rooms corridors, stairways or fire landings of the Building nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of any Residential Units of the Building.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, Residential Passenger Elevator, vestibules, corridors, or fire landings of or serving the Building.

4. No public hall of the Building shall be decorated or furnished by any Residential Unit Owner in any manner, except as otherwise expressly provided in the By-Laws.

5. Each Residential Unit Owner shall keep his or her Residential Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No window guards or other window decorations shall be used in or about any Residential Unit, unless otherwise required by applicable Legal Requirements and as approved by the Board. However, each Residential Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven years lives or resides (even temporarily) in the Unit. Each such Residential Unit Owner shall install, at such Unit Owner's expense, the required window guards or window bars in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards or window bars installed in the Unit and shall not remove the same until permitted by applicable Legal Requirements and in any event, without full knowledge of the Managing Agent.

7. No radio, television or other aerial, satellite dish, disk or similar device shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of any Residential Unit or anywhere in or on the Building, except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of any Residential Unit.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board; and no "window" air-conditioners of any kind shall be permitted.

9. All radio, television or other electrical or electronic equipment of any kind installed or used in any Residential Unit shall comply with all rules, regulations, requirements and recommendations of the New York Board of Fire Underwriters and governmental or public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical or electronic equipment in such Residential Unit Owner's Unit.

10. "Smart", electric or any other form of powered bicycles, scooters or other similar equipment and/or hover boards are prohibited from being brought into, stored or used anywhere into the Building.

11. No Residential Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Residential Unit Owners or their tenants or occupants. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Residential Unit Owner's Unit between midnight and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 4:00 P.M., unless such construction or repair work is necessitated by an emergency or is being performed by or on behalf of the owner of any Unsold Units, by Sponsor or its designee, or by the Commercial Unit Owner.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) shall be permitted, kept or harbored in a Residential Unit unless the Board or the Managing Agent in each instance has expressly consented in writing. Such consent, if given, shall be revocable by the Board or Managing Agent in their sole discretion, at any time, with or without cause. Notwithstanding the foregoing, a Residential Unit Owner may keep as pets in his or her Unit not more than two domestic dogs, domestic cats, caged birds and fish, provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after notice from the Managing Agent. In no event shall a pet be permitted in any Residential Unit without the prior written consent of the Board (which may be granted or denied in the sole discretion of the Board), nor shall any bird, reptile, or animal be permitted in any Residential Passenger Elevator in the Building, or in any of the public portions of the Building, unless carried or on a leash. Any Residential Unit Owner in the public portions of the Building with an animal that is unleashed and not carried shall be fined $100. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps (or permits

to be kept) any type of pet in such Residential Unit Owner's Unit may be required to enter into an agreement with the Board, which agreement may set forth such other rules regarding pets as the Board shall deem suitable and require the Residential Unit Owner to indemnify, defend and hold harmless the Building, the Board, all Unit Owners and the Managing Agent of the Building from all claims and expenses resulting from the acts or presence of such pet.

13. Deliveries should be made only at such times as a Residential Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. Residential Unit Owners should be present during the delivery of all large and oversized items that cannot be stored under the mailboxes without creating an obstruction.

14. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Residential Unit.

15. No occupant of the Building shall send any employee of the Building or of the Managing Agent out of the Building on any private business.

16. Each Residential Unit Owner shall utilize all reasonable measures to keep its Residential Unit free from rats, mice, insects, and other vermin The agents of the Board or the Managing Agent, and any contractor or worker authorized by the Board or the Managing Agent and accompanied by an agent of the Board or the Managing Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential 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 Residential Unit for its permitted purposes.

17. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

18. The Board or the Managing Agent shall retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his or her Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws or Declaration, and the Residential Unit Owner has not furnished a key to the Board or the Managing Agent, then the Board or the Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (provided that during such entry reasonable care is given to the Residential Unit Owner's property).

19. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

20. No Residential Unit Owner or any of his or her agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Residential Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance.

21. If any key or keys are given or lent by a Residential Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential Unit Owner's Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such Residential Unit Owner, and neither the Board nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

22. Nothing shall be done or kept in any Residential Unit which would increase the rate of insurance of the Building or contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in his or her Residential Unit which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

23. Residential Unit Owners shall comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials and/or categories of each of same. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Residential Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling and disposal of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable law regarding the recycling of trash against a Residential Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Residential Unit Owner as additional Common Charges. Residential Unit Owners will comply with the following procedures with respect to the disposal of refuse: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the designated refuse area; (d) crush into tight bundles all loose papers before placing the same in the designated refuse area; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the designated refuse area must be picked up directly from the Residential Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

24. Residential Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority, including without limitation, those with respect to window guards and notices of emergency access and egress.

25. Except as otherwise expressly provided in the By-Laws and the Declaration, Residential Unit Owners, their families, guests, service personnel, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

26. The Board shall have the right from time to time to relocate any portion of the Common Elements used by the Building for storage or service purposes.

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

28. No Residential Unit Owner, tenant or occupant of a Residential Unit shall conduct any group tour, exhibition or open house of any Residential Unit or its contents or any auction sale in any Residential Unit, without the prior consent of the Board or the Managing Agent.

29. In the event that any Residential Unit is used for home occupation purposes or other purposes which are permitted by law or court order, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

30. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

31. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

32. Notwithstanding any references to "Unit Owner" or "Residential Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all tenants, guests and other occupants of the Residential Units of the Condominium. Residential Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Residential Units.

33. With respect to Vestibules and Mechanical Rooms, the following rules and regulations shall apply and the Board may adopt such additional rules and regulations regarding same from time to time: Any damage caused by the Unit Owner's negligence shall be at such Unit Owner's sole cost and expense. All Vestibules and Mechanical Rooms must be kept clean and free from debris and obstructions. In no event shall any Unit Owner be permitted to enclose any Elevator Vestibule or Mechanical Room without the consent of the Board and without

complying with all alteration requirements set forth in the By-Laws. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed in an Elevator Vestibule or Mechanical Rooms. No unattended animals, which include but are not limited to dogs, cats, or birds, are allowed in any Elevator Vestibule.

34. There will be no barbecuing in the Residential Units or in the Common Elements.

35. With respect to any lease (and lease renewal) which, pursuant to the Bylaws, is subject to the Board's review and right of first refusal, the fee for any such lease (or renewal of a lease) is $300, payable to the Managing Agent. Any such Residential Unit Owner that has entered into or renewed a lease with a tenant and has not submitted the lease (or lease renewal) to the Managing Agent will have thirty (30) days from the date notified by the Managing Agent to submit the lease or the renewal. In the event that any such Residential Unit Owner does not submit such lease or lease renewal to the Board within such thirty (30) day period, such Residential Unit Owner shall be subject to a $500 fine and further action by the Board.

36. Unless expressly authorized by the Board in each case, at least eighty percent (80%) of the floor area of each Residential Unit that is directly above another Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

37. Smoking and using electronic cigarettes is prohibited in any Common Elements within the interior of the Building as required by all applicable laws and is prohibited in the Residential Units. Smoking means inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe, or any form of lighted object or device which contains tobacco. Notwithstanding the foregoing, Residential Unit Owners and their respective tenants or other occupants and all of their respective guests shall not permit smoke to escape from a Residential Unit or enter any other Residential Unit or interior Common Elements. Unit Owners and their respective tenants or other occupants and all of their respective guests shall not smoke in the Units if they are unable to prevent the smoke from entering the interior Common Elements or another Unit. The Board shall have the right to seek and obtain a court order enjoining the occupant of a Residential Unit from smoking therein or thereon if the smoke escapes the Residential Unit and the Board shall have the right to seek the eviction of a tenant who smokes in a Residential Unit if the smoke escapes from the Residential Unit. In addition to all other remedies available to the Board, violation of this policy shall subject the Unit Owner to (i) a fine in an amount to be determined from time to time by the Board, and (ii) reimbursement of any fees or expenses incurred by the Condominium or the Board to cause the smoke infiltration into the Common Elements or another Unit to cease (including legal fees) in enforcing this provision.

Exhibit E

OER Institutional Controls

2.0 INSTITUTIONAL CONTROLS

A series of Institutional Controls are required under the Remedial Action to assure permanent protection of public health by eliminating human exposure to residual materials remaining at the site.
The Institutional Controls for the Remedial Action are:

Compliance with an OER-approved SMP (Site Management Plan) including procedures for appropriate operation, maintenance, inspection, and certification of performance of ECs and ICs. The property owner and property owner's successors and assigns will inspect ECs and ICs and submit to OER a written certification that evaluates their performance, including a summary of monthly system inspections by onsite personnel, on an annual basis;

Engineering Controls will not be discontinued without prior OER approval;

OER has the right to enter the Site upon notice for the purpose of evaluating the performance of ECs and ICs;

Vegetable gardens and farming in residual soil/fill on the Site are prohibited;

Use of groundwater underlying the Site without treatment rendering it safe for its intended use is prohibited;

All future activities on the Site that will disturb residual soil/fill must be conducted pursuant to the Soil/Materials Management provisions of the SMP, or otherwise approved by OER;

The Site is intended to be used for restricted residential use and will not be used for a higher level of use without prior approval by OER; and,

The Site continues to have an OER-approved Declaration of Covenants and Restrictions recorded with the property deed by the Manhattan County Clerk.

EXHIBIT 8

CERTIFICATIONS

8A Sponsor and Principals

8B Sponsor's Engineer (or Architect)

8C Sponsor's Expert Concerning Adequacy of Budget

8D Sponsor's Expert Concerning Adequacy of Common Charges Payable by the Commercial Unit Owner

EXHIBIT A-1

304-306 Canal Street LLC
c/o Vornado Realty Trust
888 Seventh Avenue
New York, New York 10019

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

November 1, 2023

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

Re: The 57 Lispenard Street Condominium
57 Lispenard Street, New York, New York 10013

The undersigned certify as follows:

We are the sponsor and the principals of the sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for complying 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:

1. set forth the detailed terms of the transaction and be complete, current and accurate;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

3. not omit any material fact;

4. not contain any untrue statement of a material fact;

5. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

6. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

7. 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.

[SIGNATURES ON FOLLOWING PAGE]

304-306 Canal Street LLC

By: _____
Name: Barry S. Langer
Title: Authorized Signatory

Sworn to before me this
1st day of November 2023

_____
Notary Public

Angely Hahm
Notary Public, State of New York
Registration #01HA6240452
Qualified in New York County
Commission Expires May 2, 2027

PRINCIPAL:

_____
Barry S. Langer

Sworn to before me this
1st day of November 2023

_____
Notary Public

Angely Hahm
Notary Public, State of New York
Registration #01HA6240452
Qualified in New York County
Commission Expires May 2, 2027

PRINCIPAL:

_____
Thomas Sanelli

Sworn to before me this
2 day of November 2023

_____
Notary Public

TIMARRA KEISHA BENNETT
Notary Public - State of New Jersey
My Commission Expires Jul 8, 2024

[Exhibit A-1 Certification by Sponsor and Principals- The 57 Lispenard Street Condominium]

adg
architecture & design, p.c.

CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(c) OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

May 7, 2024

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

Re: 57 Lispenard Street Condominium
57 Lispenard Street, New York, New York

The undersigned, a licensed architect in the State of New York, hereby certifies as follows:

The sponsor of the condominium offering plan for the captioned property (the "Property") retained our firm to prepare a report describing the construction of the Property. We have examined the building plans and specifications, dated as of July 01, 2016, that were prepared by Ronald Jan Eng , that were submitted on June 19, 2015, to the Department of Buildings and prepared the architect's report dated as of May 7, 2024 (the "Report"), a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire Property as it will exist upon completion of the construction, provided the construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical

condition of the Property as it will exist upon completion of the construction, provided that the construction is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Revised 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.

ADG Architecture & Design, P.C.

By:_____
Name: Chris Carrano
Title: Registered Architect

Sworn to before me this
7th day of May, 2024

Notary Public

WANDA CHIODI
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01CH6009584
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES JUNE 29, 2026

REGISTERED ARCHITECT
CHRISTOPHER CARRANO
025077
STATE OF NEW YORK

MONARCH
REALTY GROUP

Monarch Realty Group
244 Water Street Suite C1, Brooklyn, NY, 11201

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

April 2nd, 2024

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

Re: The 57 Lispenard Street Condominium
57 Lispenard Street, New York, New York 10013

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B (together with the notes thereto, the "Schedule") containing projections of income and expenses for the first year of condominium operation. Monarch Realty Group Holdings, LLC is licensed as a real estate broker in the State of New York. The undersigned Manager of the company has been engaged in the management of approximately 40 Residential real estate properties for over 4 years and has managed many cooperative and condominium buildings during that period and is still active in management.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule.

We have reviewed the Schedule and investigated the facts set forth in the Schedule 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 Schedules B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses of the Condominium for the projected first year of condominium operation.

We certify that Schedule B:

(i) sets forth in detail the projection of income and expenses for the projected first year of condominium operation;

(ii) affords potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the projected first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I further certify that we are not owned or controlled by the Sponsor. I understand that a copy of this certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of Condominium operation. This certification is made under penalty or perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on April 2nd, 2024.

By: _____

Name: Jason Horowytz
Title: Managing Partner

MONARCH
REALTY GROUP

Monarch Realty Group
244 Water Street Suite C1, Brooklyn, NY, 11201
CERTIFICATION OF SPONSOR'S EXPERT
ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE NON-RESIDENTIAL UNIT OWNERS PURSUANT TO SECTION 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

April 2nd, 2024

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

Re: The 57 Lispenard Street Condominium
57 Lispenard Street, New York, New York 10013

The undersigned, Monarch Realty Group Holdings, LLC is a licensed real estate brokerage firm in the State of New York. The undersigned Manager of Monarch Realty Group Holdings, LLC has been engaged in the management of 40 condominium, cooperative and residential rental properties over the course of the last 4 years.

The sponsor of the condominium offering plan for the above captioned property retained our firm to review the Condominium Budget (the "Schedule B-2") to the offering plan containing projections of common charges payable by the owner of the Commercial Unit of the Condominium for the projected First Year of Condominium Operation.

We understand we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Commercial Unit listed in Schedule B-2.

We have reviewed the Schedule B-2 as it impacts upon the Commercial Unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential and commercial buildings in Manhattan.

We certify that the projections in Schedule B-2 for common charges payable by the owner of the Commercial Unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to the Commercial Unit for the projected First

Year of Condominium Operation, and that the allocation of common charges attributable to the Commercial Unit also reflect the special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in the Schedule B-2 for the common charges payable by the owner of the Commercial Unit:

(i) set forth in detail the projected common charges for the Commercial Unit for the projected First Year of Condominium Operation;

(ii) afford potential investors, purchasers, and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner of the Commercial Unit during the projected 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 an amendment to the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the Commercial Unit for the projected 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

I declare under penalty of perjury under the laws of the State of New York and the United States of America that the foregoing is true and correct. Executed on April 2nd 2024.

By: _____
Name: Jason Horowytz
Title: Managing Partner

EXHIBIT 9

REAL PROPERTY LAW SECTION 339-KK

§ *339-kk Real Prop.* Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

EXHIBIT 10

FORM OF CERTIFICATE OF OCCUPANCY AGREEMENT

NYC Buildings

Certificate of Occupancy

CO Number: 122396040F

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.

Borough:	Manhattan	**Block Number:**	00210	**Certificate Type:**	Final
Address:	304 CANAL STREET	**Lot Number(s):**	18	**Effective Date:**	10/11/2018
Building Identification Number (BIN):	1002715	**Building Type:**	Altered		

This building is subject to this Building Code: 1968 Code

For zoning lot metes & bounds, please see BISWeb.

B.

Construction classification:	2-B	(2014/2008 Code)
Building Occupancy Group classification:	R-2	(2014/2008 Code)
Multiple Dwelling Law Classification:	HAEA	

No. of stories: 5	**Height in feet:** 73	**No. of dwelling units:** 4

C. **Fire Protection Equipment:**
Standpipe system, Fire alarm system, Sprinkler system, Fire Suppression system

D. **Type and number of open spaces:**
None associated with this filing.

E. **This Certificate is issued with the following legal limitations**
None

Borough Comments: None

Borough Commissioner

Commissioner

B Form 54 (Revised 03/05)

DOCUMENT CONTINUES ON NEXT PAGE

NYC Buildings

Certificate of Occupancy

CO Number: 122396040F

Permissible Use and Occupancy

All Building Code occupancy group designations below are 2008 designations.

Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
CEL	52		M		6	RETAIL, MECHANICAL AND ELECTRICAL ROOMS
001	88	100	R-2 M			RESIDENTIAL LOBBY, RETAIL
002		75	R-2	1	2	ONE (1) APARTMENT
003		75	R-2	1	2	ONE (1) APARTMENT
004		75	R-2	1	2	ONE (1) APARTMENT
005		75	R-2	1	2	ONE (1) APARTMENT
END OF SECTION						

Borough Commissioner

Commissioner

EXHIBIT 11

ASBESTOS SURVEY

WCD GROUP
For pivotal matters.℠

February 23, 2015

Mr. Christopher Sullivan
Development Manager
Vornado Realty Trust
888 7th Avenue-43rd Floor
New York, NY 10019

Re: Asbestos Survey- Entire Structure
304 Canal Street New York, NY 10013
Emteque LLC Project No. 15 - 7556

Dear Mr. Sullivan,

Emteque LLC, a wholly owned subsidiary of WCD Group LLC, has been retained to provide an asbestos survey at the above referenced location. The inspection was performed by Mr. Habeeb Rahim a New York State Certified Asbestos Inspector on February 10, 2015 and February 20, 2015 under the direct supervision of an NYC certified Investigator. All samples were collected following federal, state and local rules and regulations.

Bulk Sampling Methodology

The survey for asbestos-containing materials (ACM) followed the Asbestos Hazard Emergency Response Act (AHERA) protocols established by the United States Environmental Protection Agency, and the United States Environmental protection Agency's, "Guidance for Controlling Asbestos-Containing Materials in Buildings", EPA 560/5-85-024, dated June, 1985. These guidelines prescribe sampling and materials condition and hazard assessment guidelines. The survey for ACM was conducted in a manner consistent ASTM E2356 Standard Practice for Comprehensive Building Surveys for sample collection, laboratory analysis, and assessment of ACM conditions. Bulk samples of suspect ACM were collected as per the EPA definition of “homogenous area” (similarity of suspect material as indicated by age, type, color, and/or use).

Laboratory-Analysis & Reporting Methodology

All samples were analyzed by Metro Analytical Laboratories, an accredited laboratory under the National Voluntary Laboratory Accreditation Program (NVLAP) and NYS Environmental Laboratory Approval Program (ELAP).

Utilizing EPA 600/M4-082-20 and/or NYS ELAP 198.1/198.6 methodologies, the above referenced laboratory analyzed bulk samples via Polarized Light Microscopy (PLM); a method for the analysis of asbestos in non-friable organically bound materials. Non-friable organically bound materials (NOB) which tested negative for the presence of asbestos via PLM analysis were submitted for subsequent analysis via Transmission Electron Microscopy (TEM) to confirm the negative PLM result.

The analytical laboratory was instructed to perform “Positive Stop” analysis, meaning that if a sample in a homogeneous sample group was reported as containing greater than 1% asbestos, the material is considered ACM, and the remaining samples of that homogeneous sample group were not analyzed.

Results

Lab results confirm the presence of asbestos in the following materials:

- 3rd Floor – 12"x12" Brown floor tile and black paper on wood subfloor (3,200 SF)
- 4th Floor – 12"x12" Brown floor tile and black paper on wood subfloor (3,200 SF)
- 5th Floor – 9"x9" Brown floor tiles and associated mastic under 12"x12" red floor tile and wood subfloor (3,200 SF)
- 5th Floor – 9"x9" Brown floor tiles and associated mastic under black tile (25 SF)
- Roof – Layered roof membrane and flashing (4,160 SF)

Summary

Sample results have confirmed the presence of asbestos in select materials. In accordance with New York City Department of Environmental Protection and New York State Department of Labor asbestos regulations, in the event that these materials will be disturbed during renovation, these must be removed by a licensed asbestos abatement contractor prior to the renovations.

We have attached a summary of the lab results, analytical data received from the laboratory, photographs of typical conditions, inspector's/firm's certifications and ACM Locations Drawings.

If additional materials not identified in this report are found during demolition, those materials must be assumed to contain asbestos until proven otherwise by laboratory analysis.

Should you have any questions or require additional clarification, please feel free to contact me at your earliest convenience.

Respectfully submitted,
Emteque, LLC

Michael Garambone
Senior Project Manager

Appendix A

Table of Suspect Asbestos Material Analysis/Lab Results

Vornado Realty Trust
304 Canal Street, New York, NY 10013
15-7556

Suspect Asbestos Materials Analysis via Polarized Light Microscopy (PLM)
and Transmission Electron Microscopy (TEM)

DATE	SAMPLE ID NO.	FL	LOCATION	MATERIAL	PLM % Total Asbestos	PLM/NOB % Total Asbestos	TEM % Total Asbestos	Quantity* (LF/SF)
2/10/2015	1	Bsmt	Basement Floor	Brown Leveling Compound	None Detected	N/A	N/A	
2/10/2015	2	Bsmt	Basement Floor	Brown Leveling Compound	None Detected	N/A	N/A	
2/10/2015	3	Bsmt	Basement Floor	Brown Leveling Compound	None Detected	N/A	N/A	
2/10/2015	4	Bsmt	Canal Street Corner Wall	Blue & Black Waterproofing Tar	N/A	Inconclusive	None Detected	
2/10/2015	5	Bsmt	Canal Street Corner Wall	Blue & Black Waterproofing Tar	N/A	Inconclusive	None Detected	
2/10/2015	6	Bsmt	Canal Street Corner Wall	Blue & Black Waterproofing Tar	N/A	Inconclusive	None Detected	
2/10/2015	7 T	1	1st Floor - Floor	12"x12" Grey Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	8 T	1	1st Floor - Floor	12"x12" Grey Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	9 T	2	2nd Floor- Floor	12"x12" Grey Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	7 M	1	1st Floor - Floor	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	8 M	1	1st Floor - Floor	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	9 M	2	2nd Floor- Floor	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	10 T	1	Under 12"x12" Grey Floor Tiles	12"x12" Dark Grey Tile	N/A	Inconclusive	None Detected	
2/10/2015	11 T	1	Under 12"x12" Grey Floor Tiles	12"x12" Dark Grey Tile	N/A	Inconclusive	None Detected	
2/10/2015	12 T	1	Under 12"x12" Grey Floor Tiles	12"x12" Dark Grey Tile	N/A	Inconclusive	None Detected	
2/10/2015	10 M	1	Under 12"x12" Grey Floor Tiles	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	11 M	1	Under 12"x12" Grey Floor Tiles	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	12 M	1	Under 12"x12" Grey Floor Tiles	12"x12" Mastic	N/A	Inconclusive	None Detected	
2/10/2015	13	1	Bathroom Wall	Peach Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	14	1	Bathroom Wall	Peach Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	15	1	Bathroom Floor	Peach Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	16	1	Bathroom Floor	Peach Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	17	1	Mezzanine Wall	Glue Behind Brown Foam	N/A	Inconclusive	None Detected	
2/10/2015	18	1	Mezzanine Wall	Glue Behind Brown Foam	N/A	Inconclusive	None Detected	
2/10/2015	19 T	2	S.E. Room	White 12"x12" Floor Tile	N/A	Inconclusive	None Detected	
2/10/2015	19 M	2	S.E. Room	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	20 T	2	S.E. Room	Dark Grey 12"x12" Floor Tile	N/A	Inconclusive	None Detected	
2/10/2015	20 M	2	S.E. Room	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	21 T	2	Entrance to 2ndFl. Bathroom	Grey 12"x12" Floor Tile	N/A	Inconclusive	None Detected	
2/10/2015	22 T	2	Entrance to 2ndFl. Bathroom	Grey 12"x12" Floor Tile	N/A	Inconclusive	None Detected	
2/10/2015	21 M	2	Entrance to 2ndFl. Bathroom	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	22 M	2	Entrance to 2ndFl. Bathroom	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	23	2	Bathroom Floor	Blue Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	24	2	Bathroom Floor	Blue Ceramic Tile & Backing	None Detected	N/A	N/A	
2/10/2015	25	3	Floor	Brown Floor Tiles	N/A	Chrysotile 25%	Not Analyzed	3,200 SF
2/10/2015	26	3	Floor	Brown Floor Tiles	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	27	4	Floor	Brown Floor Tiles	N/A	(+) Stop Not Analyzed	Not Analyzed	3,200 SF

Vornado Realty Trust
304 Canal Street, New York, NY 10013
15-7556

Suspect Asbestos Materials Analysis via Polarized Light Microscopy (PLM) and Transmission Electron Microscopy (TEM)

DATE	SAMPLE ID NO.	FL	LOCATION	MATERIAL	PLM % Total Asbestos	PLM/NOB % Total Asbestos	TEM % Total Asbestos	Quantity* (LF/SF)
2/10/2015	28	3	Floor	Black Paper under 12"x12" Brown Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	29	3	Floor	Black Paper under 12"x12" Brown Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	30	4	Floor	Black Paper under 12"x12" Brown Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	31 T	4	Sections	Cream 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	32 T	4	Sections	Cream 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	31 M	4	Sections	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	32 M	4	Sections	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	33 T	4	North End of 4th Floor	White Floor Tiles 12"x12"	N/A	Inconclusive	None Detected	
2/10/2015	34 T	4	North End of 4th Floor	Grey 12"x12" Floor Tile	N/A	Inconclusive	None Detected	
2/10/2015	33 M	4	North End of 4th Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	34 M	4	North End of 4th Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	35	4	By 4th Floor Bathroom	Black 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	36	4	By 4th Floor Bathroom	Black 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	37 T	5	Entrance to 5th Floor	Black 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	38 T	5	Entrance to 5th Floor	Black 12"x12" Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	37 M	5	Entrance to 5th Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	38 M	5	Entrance to 5th Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	39 T	5	Entrance to 5th Floor Under Black Tiles & throughout 12"x12" Red Floor Tiles under wood subfloor	9"x9" Brown Floor Tiles	N/A	Chrysotile 4%	Not Analyzed	3,225 SF
2/10/2015	40 T	5	Entrance to 5th Floor Under Black Tiles & throughout 12"x12" Red Floor Tiles under wood subfloor	9"x9" Brown Floor Tiles	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	39 M	5	Entrance to 5th Floor Under Black Tiles & throughout 12"x12" Red Floor Tiles under wood subfloor	Mastic Associated with 9"x9" Brown Floor Tile	N/A	Chrysotile 2.7%	Not Analyzed	
2/10/2015	40 M	5	Entrance to 5th Floor Under Black Tiles & throughout 12"x12" Red Floor Tiles under wood subfloor	Mastic Associated with 9"x9" Brown Floor Tile	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	41 T	5	On Floor	12"x12" Red Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	42 T	5	On Floor	12"x12" Red Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	43 T	5	On Floor	12"x12" Red Floor Tiles	N/A	Inconclusive	None Detected	
2/10/2015	41 M	5	On Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	42 M	5	On Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	43 M	5	On Floor	Mastic	N/A	Inconclusive	None Detected	
2/10/2015	44	5	Wall	White Sheetrock & Joint Compound	None Detected	N/A	N/A	
2/10/2015	45	4	Wall	White Sheetrock & Joint Compound	None Detected	N/A	N/A	

Vornado Realty Trust
304 Canal Street, New York, NY 10013
15-7556

Suspect Asbestos Materials Analysis via Polarized Light Microscopy (PLM) and Transmission Electron Microscopy (TEM)

DATE	SAMPLE ID NO.	FL	LOCATION	MATERIAL	PLM % Total Asbestos	PLM/NOB % Total Asbestos	TEM % Total Asbestos	Quantity* (LF/SF)
2/10/2015	46	3	Wall	White Sheetrock & Joint Compound	None Detected	N/A	N/A	
2/10/2015	47	2	Wall	White Sheetrock & Joint Compound	None Detected	N/A	N/A	
2/10/2015	48	1	Wall	White Sheetrock & Joint Compound	None Detected	N/A	N/A	
2/10/2015	49	Bsmt	Ceiling	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	50	1	Ceiling	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	51	2	Wall	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	52	3	Wall	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	53	3	Ceiling	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	54	4	Wall	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	55	5	Wall	White & Brown Coat Plaster	None Detected	N/A	N/A	
2/10/2015	56	1	Staircase	Glue Under Black Rubber	N/A	Inconclusive	None Detected	
2/10/2015	57	2	Staircase	Glue Under Black Rubber	N/A	Inconclusive	None Detected	
2/10/2015	58	Roof	North End of Roof	Black Roof Membrane	N/A	Chrysotile 1.2%	Not Analyzed	4,000SF
2/10/2015	59	Roof	Center of Roof	Black Roof Membrane	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	60	Roof	South End of Roof	Black Roof Membrane	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	61	Roof	North End of Roof	Black Roof Flashing	N/A	Chrysotile 1.2%	Not Analyzed	160SF
2/10/2015	62	Roof	Center of Roof	Black Roof Flashing	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/10/2015	63	Roof	South End of Roof	Black Roof Flashing	N/A	(+) Stop Not Analyzed	Not Analyzed	
2/20/2015	1	Bsmt	West Side- painted blue & under skim coat	12"x12" (Black) Floor Tile	N/A	Inconclusive	None Detected	
2/20/2015	2	Bsmt	West Side	12"x12" (Black) Floor Tile	N/A	Inconclusive	None Detected	
2/20/2015	3	Bsmt	West Side	Mastic assoc. w/ 12"x12" (Black) Floor Tile	N/A	Inconclusive	None Detected	
2/20/2015	4	Bsmt	West Side	Mastic assoc. w/ 12"x12" (Black) Floor Tile	N/A	Inconclusive	None Detected	
2/20/2015	5	1	façade windows	window caulking	N/A	Inconclusive	None Detected	
2/20/2015	6	1	façade windows	window caulking	N/A	Inconclusive	None Detected	
2/20/2015	7	1	façade windows	window glazing	N/A	Inconclusive	None Detected	
2/20/2015	8	1	façade windows	window glazing	N/A	Inconclusive	None Detected	
2/20/2015	9	3	Restroom	12"x12" (Off-White) Floor Tile	N/A	Inconclusive	None Detected	
2/20/2015	10	3	Restroom	12"x12" (Off-White) Floor Tile	N/A	Inconclusive	None Detected	

METRO ANALYTICAL LABORATORIES
255 West 36th St., Suite 101
New York, NY 10018
p: (212) 695-0165 f: (212) 695-0183

ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client:	**WCD**	Contract:	**Vornado Realty Trust**	**Metro Lab ID #:**	**B1502180**
Address:	1350 Broadway	Client Job #:			
	New York NY 10018-0891	Location:	**304 Canal Street**		
	P: (212) 631-9000 F: (212) 631-8066		**Basement to Roof - Interior Gut**	Sample Received:	2/10/2015
			NY NY	PLM Analysis Date:	2/11/2015
Contact:	**Eric Telemaque**	Sampled By:	Habeeb Rahim	TEM Analysis Date:	2/11/2015
	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
1	1	Grey Homogenous Granular B - BASEMENT FLOOR - BROWN LEVELING COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4		100% Non-Fibrous	**None Detected**	
2	2	Grey Homogenous Granular B - BASEMENT FLOOR - BROWN LEVELING COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4		100% Non-Fibrous	**None Detected**	
3	3	Grey Homogenous Granular B - BASEMENT FLOOR - BROWN LEVELING COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4		100% Non-Fibrous	**None Detected**	
4	4	Black\Blue Homogenous NOB B - CANAL STREET CORNER WALL - BLUE & BLACK WATERPROOFING TAR	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
5	5	Black\Blue Homogenous NOB B - CANAL STREET CORNER WALL - BLUE & BLACK WATERPROOFING TAR	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
6	6	Black\Blue Homogenous NOB B - CANAL STREET CORNER WALL - BLUE & BLACK WATERPROOFING TAR	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
7-T	7	Grey Homogenous NOB 1 - 1ST FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
8-T	8	Grey Homogenous NOB 1 - 1ST FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
9-T	9	Grey Homogenous NOB 2 - 2ND FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
10-M	7	Yellow Homogenous NOB 1 - 1ST FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	

Comments

Ramprasad Yallabandi
Laboratory Director

Mike Isaac
Laboratory Analyst - PLM

Zlatan Dimitrijevic
Laboratory Analyst - TEM

NYS ELAP ID # 12003

NVLAP Lab Code: 500081-0

METRO ANALYTICAL LABORATORIES
255 West 36th St., Suite 101
New York, NY 10018
p: (212) 695-0165 f: (212) 695-0183

ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client:	**WCD**	Contract:	**Vornado Realty Trust**	**Metro Lab ID #:**	**B1502180**
Address:	1350 Broadway	Client Job #:			
	New York NY 10018-0891	Location:	**304 Canal Street**		
	P: (212) 631-9000 F: (212) 631-8066		**Basement to Roof - Interior Gut**	Sample Received:	2/10/2015
			NY NY	PLM Analysis Date:	2/11/2015
Contact:	**Eric Telemaque**	Sampled By:	Habeeb Rahim	TEM Analysis Date:	2/11/2015
	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
11-M	8	Yellow Homogenous NOB 1 - 1ST FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
12-M	9	Yellow Homogenous NOB 2 - 2ND FL. - FLOOR - 12"X12" GRAY FL TILES & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
13-T	10	Grey Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
14-T	11	Grey Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
15-T	12	Grey Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
16-M	10	Yellow Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
17-M	11	Yellow Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
18-M	12	Yellow Homogenous NOB 1 - UNDER 12'X12' GRAY FL TILES 1ST FL. ONLY - 12"X12" DK GRAY TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
19	13	Grey Homogenous Cementitious 1 - 1ST FL. BATHROOM WALL - PEACH CERAMIC TILE & BACKING	NY ELAP 198.1		100% Non-Fibrous		None Detected
			NY ELAP 198.6				
			NY ELAP 198.4				
20	14	Grey Homogenous Cementitious 1 - 1ST FL. BATHROOM WALL - PEACH CERAMIC TILE & BACKING	NY ELAP 198.1		100% Non-Fibrous		None Detected
			NY ELAP 198.6				
			NY ELAP 198.4				

Comments

Ramprasad Yallabandi
Laboratory Director

Mike Isaac
Laboratory Analyst - PLM

Zlatan Dimitrijevic
Laboratory Analyst - TEM

NYS ELAP ID # 12003

NVLAP Lab Code: 500081-0

METRO ANALYTICAL LABORATORIES
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ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client:	**WCD**	Contract:	**Vornado Realty Trust**	**Metro Lab ID #:**	**B1502180**
Address:	1350 Broadway	Client Job #:			
	New York NY 10018-0891	Location:	**304 Canal Street**		
	P: (212) 631-9000 F: (212) 631-8066		**Basement to Roof - Interior Gut**	Sample Received:	2/10/2015
			NY NY	PLM Analysis Date:	2/11/2015
Contact:	**Eric Telemaque**	Sampled By:	Habeeb Rahim	TEM Analysis Date:	2/11/2015
	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
21	15	Brown Homogenous Granular 1 - 1ST FL. BATHROOM FLOOR - PEACH CERAMIC TILE & BACKING	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
22	16	Brown Homogenous Granular 1 - 1ST FL. BATHROOM FLOOR - PEACH CERAMIC TILE & BACKING	NY ELAP 198.1		100% Non-Fibrous	None Detected	
			NY ELAP 198.6				
			NY ELAP 198.4				
23	17	Yellow Homogenous NOB 1 - 1ST FL. MEZZANINE WALL - GLUE BEHIND BROWN FOAM	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
24	18	Yellow Homogenous NOB 1 - 1ST FL. MEZZANINE WALL - GLUE BEHIND BROWN FOAM	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
25-T	19	White Homogenous NOB 2 - SE ROOM - WHITE 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
26-M	19	Yellow Homogenous NOB 2 - SE ROOM - WHITE 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
27-T	20	Grey Homogenous NOB 2 - SE ROOM - DARK GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
28-M	20	Yellow Homogenous NOB 2 - SE ROOM - DARK GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
29-T	21	Grey Homogenous NOB 2 - ENTRANCE TO 2ND FL BATHROOM - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected
30-T	22	Grey Homogenous NOB 2 - ENTRANCE TO 2ND FL BATHROOM - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1				
			NY ELAP 198.6			Inconclusive	None Detected
			NY ELAP 198.4				None Detected

Comments

Ramprasad Yallabandi
Laboratory Director

Mike Isaac
Laboratory Analyst - PLM

Zlatan Dimitrijevic
Laboratory Analyst - TEM

NYS ELAP ID # 12003

NVLAP Lab Code: 500081-0

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ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client:	**WCD**	Contract:	**Vornado Realty Trust**	**Metro Lab ID #:**	**B1502180**
Address:	1350 Broadway	Client Job #:			
	New York NY 10018-0891	Location:	**304 Canal Street**		
	P: (212) 631-9000 F: (212) 631-8066		**Basement to Roof - Interior Gut**	Sample Received:	2/10/2015
			NY NY	PLM Analysis Date:	2/11/2015
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	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
31-M	21	Yellow Homogenous NOB 2 - ENTRANCE TO 2ND FL BATHROOM - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
32	22	Yellow Homogenous NOB 2 - ENTRANCE TO 2ND FL BATHROOM - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
33	23	Blue Homogenous Granular 2 - 2ND FL BATHROOM FLOOR - BLUE CERAMIC TILES & BACKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	**None Detected**	
34	24	Blue Homogenous Granular 2 - 2ND FL BATHROOM FLOOR - BLUE CERAMIC TILES & BACKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4		100% Non-Fibrous	**None Detected**	
35-B	23	Blue Homogenous NOB 2 - 2ND FL BATHROOM FLOOR - BLUE CERAMIC TILES & BACKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
36-B	24	Blue Homogenous NOB 2 - 2ND FL BATHROOM FLOOR - BLUE CERAMIC TILES & BACKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
37	25	Brown Homogenous NOB 3 - 3RD FL - FLOOR - BROWN FL TILES & BLACK PAPER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**2.5% Chrysotile** **Not Analyzed**	**2.5%**
38	26	Brown Homogenous NOB 3 - 3RD FL - FLOOR - BROWN FL TILES & BLACK PAPER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Positive Stop** **Not Analyzed**	
39	27	Brown Homogenous NOB 4 - 4TH FL - BROWN FL TILES & BLACK PAPER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Positive Stop** **Not Analyzed**	
40	28	Black Homogenous NOB 3 - 3RD FL - BLACK PAPER UNDER 12X12 BROWN FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	

Comments

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Contact:	**Eric Telemaque**	Sampled By:	Habeeb Rahim	TEM Analysis Date:	2/11/2015
	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos		Total Asbestos
41	29	Black Homogenous NOB 3 - 3RD FL - BLACK PAPER UNDER 12X12 BROWN FL TILES	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
42	30	Black Homogenous NOB 4 - 4TH FL - 12X12 BROWN TILES	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
43-T	31	Off-White Homogenous NOB 4 - 4TH FL (SECTIONS) - CREAM 12X12 FL TILES & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
44-T	32	Off-White Homogenous NOB 4 - 4TH FL (SECTIONS) - CREAM 12X12 FL TILES & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
45-M	31	Black Homogenous NOB 4 - 4TH FL (SECTIONS) - CREAM 12X12 FL TILES & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
46-M	32	Black Homogenous NOB 4 - 4TH FL (SECTIONS) - CREAM 12X12 FL TILES & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
47-T	33	White Homogenous NOB 4 - NORTH END OF 4TH FL - WHITE FL TILES 12X12 & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
48-T	34	White Homogenous NOB 4 - NORTH END OF 4TH FL - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
49-M	33	Black Homogenous NOB 4 - NORTH END OF 4TH FL - WHITE FL TILES 12X12 & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	
50-M	34	Black Homogenous NOB 4 - NORTH END OF 4TH FL - GRAY 12"X12" FL TILE & MASTIC	NY ELAP 198.1					
			NY ELAP 198.6			Inconclusive	None Detected	
			NY ELAP 198.4				None Detected	

Comments

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Contact:	**Eric Telemaque**	Sampled By:	Habeeb Rahim	TEM Analysis Date:	2/11/2015
	M:	Sampled Date:	2/10/2015	Report By:	Tasheena Peel
	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
51	35	Black Homogenous NOB 4 - BY 4TH FL BATHROOM - BLACK 12"X12" FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
52	36	Black Homogenous NOB 4 - BY 4TH FL BATHROOM - BLACK 12"X12" FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
53-T	37	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL - BLACK 12"X12" FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
54-T	38	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL - BLACK 12"X12" FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
55-M	37	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL - BLACK 12"X12" FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
56-M	38	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL - BLACK 12"X12" FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive None Detected None Detected	
57-T	39	Brown Homogenous NOB 5 - ENTRANCE TO 5TH FL UNDER BLK TILES - 9X9 BROWN FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 4.0% Chrysotile Not Analyzed	4.0%
58-T	40	Brown Homogenous NOB 5 - ENTRANCE TO 5TH FL UNDER BLK TILES - 9X9 BROWN FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	
59-M	39	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL UNDER BLK TILES - 9X9 BROWN FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 2.7% Chrysotile Not Analyzed	2.7%
60-M	40	Black Homogenous NOB 5 - ENTRANCE TO 5TH FL UNDER BLK TILES - 9X9 BROWN FL TILES & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	

Comments

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	P: (212) 631-9000 F: (212) 631-8066		**Basement to Roof - Interior Gut**	Sample Received:	2/10/2015
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	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
61-T	41	Red Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
62-T	42	Red Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
63-T	43	Red Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
64-M	41	Yellow Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
65-M	42	Yellow Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
66-M	43	Yellow Homogenous NOB 5 - ON FLOOR 5TH FL - 12"X12" RED FL TILE & MASTIC	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			**Inconclusive** **None Detected**	
67	44	Brown\White Inhomogenous Fibrous 5 - 5TH FL WALL - WHITE SHEETROCK & JOINT COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	20% Cellulose	80% Gypsum	**None Detected**	
68	45	Brown\White Inhomogenous Fibrous 4 - 4TH FL WALL - WHITE SHEETROCK & JOINT COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	10% Cellulose	90% Gypsum	**None Detected**	
69	46	Brown\White Inhomogenous Fibrous 5 - 5TH FL WALL - WHITE SHEETROCK & JOINT COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	15% Cellulose	85% Gypsum	**None Detected**	
70	47	Brown\White Inhomogenous Fibrous 5 - 5TH FL WALL - WHITE SHEETROCK & JOINT COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	20% Cellulose	80% Gypsum	**None Detected**	

Comments

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	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
71	48	Brown\White Inhomogenous Fibrous 5 - 5TH FL WALL - WHITE SHEETROCK & JOINT COMPOUND	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	10% Cellulose	90% Gypsum	None Detected	
72	49	Brown Homogenous Granular B - BASEMENT CEILING - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	None Detected	
73	50	Brown Homogenous Granular 1 - 1ST FL CEILING - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4		100% Non-Fibrous	None Detected	
74	51	Brown\Grey Inhomogenous Fibrous 2 - 2ND FL WALL - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	5% Cellulose	95% Non-Fibrous	None Detected	
75	52	Brown\Grey Inhomogenous Fibrous 3 - 3RD FL WALL - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	2% Cellulose	98% Non-Fibrous	None Detected	
76	53	Brown Homogenous Granular 3 - 3RD FL CEILING - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	3% Cellulose	97% Non-Fibrous	None Detected	
77	54	Brown\Grey Inhomogenous Fibrous 4 - 4TH FL WALL - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	3% Cellulose	97% Non-Fibrous	None Detected	
78	55	Brown\Grey Inhomogenous Fibrous 5 - 5TH FL WALL - WHITE & BROWN COAT PLASTER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4	5% Cellulose	95% Non-Fibrous	None Detected	
79	56	Yellow Homogenous NOB 1 - 1ST FL STAIRCASE - GLUE UNDER BLACK RUBBER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			Inconclusive None Detected	
80	57	Yellow Homogenous NOB 2 - 2ND FL STAIRCASE - GLUE UNDER BLACK RUBBER	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			Inconclusive None Detected	

Comments

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	E: etelemaque@wcdgroup.com	Turnaround Time:	24 hrs	Report Date:	2/11/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos	Total Asbestos
81	58	Black Homogenous NOB R - NORTH END OF ROOF - BLACK ROOF MEMBRANE	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 1.2% Chrysotile Not Analyzed	1.2%
82	59	Black Homogenous NOB R - CENTER OF ROOF - BLACK ROOF MEMBRANE	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	
83	60	Black Homogenous NOB R - SOUTH END OF ROOF - BLACK ROOF MEMBRANE	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	
84	61	Black Homogenous NOB R - NORTH END OF ROOF - BLACK ROOF FLASHING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 1.2% Chrysotile Not Analyzed	1.2%
85	62	Black Homogenous NOB R - CENTER OF ROOF - BLACK ROOF FLASHING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	
86	63	Black Homogenous NOB R - SOUTH END OF ROOF - BLACK ROOF FLASHING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Positive Stop Not Analyzed Not Analyzed	

Comments

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Report Notes

Notes Regarding All Reports

• The samples in this report were not collected by this laboratory.

• Samples are received in good condition, except if noted.

• All inhomogeneous layers of the bulk samples were analyzed separately.

• The report shall not be reproduced, except in full, without the written approval of the laboratory.

• This report relates only to the samples tested. It may not be used by the client to claim project endorsement by NVLAP, NYS ELAP, or any other government agency.

• All samples will be properly disposed of after 60 days.

• Percentages are calculated using the EPA equivalent Stratified Point-Count Method.

• Analytical results are sometimes based on the residue percentage(s) provided by the client along with the filters. Trace denotes asbestos detected at < 1%. Smiliarly, samples below quantitation limit (RL) are reported with a less than sign (<).

• Quality Control data (including 95% confidence limits, laboratory / analysis accuracy and precision) is available upon request.

• Polarized Light Microscopy is not consistently reliable in detecting asbestos in floor coverings and similar non-friable organically bound materials. Quantitative TEM is currently the only method that can be used to determine if this material can be considered or treated as non-asbestos containing.

Notes Regarding All Tests

• Bulk Sample Analysis by Polarized Light Microscopy (PLM) Friable adheres to EPA/600/M4-082-20 or NYS ELAP 198.1.

• Bulk Sample Analysis by Polarized Light Microscopy (PLM) NOB adheres to NYS ELAP 198.6. This method does not remove vermiculite and may underestimate the level of asbestos present in a sample containing greater than 10% vermiculite.

• Bulk Sample Analysis by Transmission Electron Microscopy (TEM) NOB adheres to NYS ELAP Method 198.4.

• Air Sample Analysis by Phase Contrast Microscopy (PCM) adheres to Method NIOSH-7400.

• Air Sample Analysis by Transmission Electron Microscopy (TEM) adheres to Method EPA CFR Part 763 Final Rule (AHERA).

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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: Vornado Realty Trust
PROJECT SITE: 30 of Canal street
PROJECT MANAGER: Eric Telemaque

LOCATION(S) SURVEYED: Basement to Roof
SCOPE OF WORK: Interior Gut
INSPECTOR/S: Habeeb Rethim
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
B	Basement Floor	1	1	Brown leveling compound	1700SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	2	1	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	3	1	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	Canal street corner wall	4	2	Blue & Black waterproofing	300SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	5	2	Tar	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	6	2	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st F.L. - Floor	7	3	12"x12" Gray F.L. tiles	3300SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	8	3	& mastic	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	2nd F.L. - Floor	9	3	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
					32	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)
Both Apply

TURN AROUND TIME:
☐ 6 HRS ☑ 24 HRS ☐ 48 HRS ☐ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: AH DATE: TIME:
RECEIVED BY: Dianna S. DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: DATE: TIME:
ANALYZED BY: DATE: 2/11/15 TIME:

NYSDOL INSPECTOR:
CERTIFICATE NO.: AH

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS:

ANALYZE: ALL ☑ STOP AT FIRST POSITIVE x PLM xTEM

WCD GROUP
1350 Broadway, Suite 1904
New York, NY 10018-0891
Phone: 212.631.9000 / Fax: 212.631.8066

PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: Vornado Realty Trust
PROJECT SITE: 308 Canal street
PROJECT MANAGER: E.T

LOCATION(S) SURVEYED: B to R
SCOPE OF WORK: Interior Cell
INSPECTOR/S: Habeeb Rahim
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
1	Under 12"x12" Gray F.L. tiles	10	4	12"x12" Dark Gray tile	1500SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st F.L. only ↓	11	4	& mastic	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	12	4	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st F.L. Bathroom wall	13	5	Peach ceramic tile		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	14	5	& backing		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	" " Bathroom Floor	15	6	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
	↓	16	6	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st F.L. Mezzanine wall	17	7	Glue behind Brown	25SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	18	7	foam ↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE
Yes (Y)
No (N)
Both Apply

TURN AROUND TIME:
☐ 6 HRS ~~24 HRS~~ ☐ 48 HRS ☐ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Dianna S. DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: _____ DATE: _____ TIME: _____
ANALYZED BY: _____ DATE: 2/11/15 TIME: _____

NYSDOL INSPECTOR:
CERTIFICATE NO.: AH

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS:

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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: Vornado
PROJECT SITE: 306 Canal street
PROJECT MANAGER: E-T

LOCATION(S) SURVEYED: B - R
SCOPE OF WORK: Interior Gut
INSPECTOR/S: H.R.
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
2	S.E. Room	19	1	white 12"x12" FL. tile & mastic	70SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	↓	20	1	Dark Gray 12"x12" FL tile	" ↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	Entrance to 2nd F.L. Bathroom	21	2	Gray 12"x12" FL tile &	25SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	↓	22	2	Mastic	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	2nd F.L. Bathroom floor	23	3	Blue ceramic tile &		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	↓	24	3	Backing		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd F.L. - Floor	25	4	Brown F.L. tiles	4200 SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	↓	26	4	& Black ↓ paper	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
4	4th F.L.	27	4	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd F.L.	28	5	Black paper under 12x12 Brown F.L. tiles	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT

1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) / No (N) / Both Apply

TURN AROUND TIME: ☐ 6 HRS 24 HRS ☐ 48 HRS ☐ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Dianna S DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: _____ DATE: 2 TIME: _____
ANALYZED BY: _____ DATE: 2/11/15 TIME: _____

NYSDOL INSPECTOR:
CERTIFICATE NO.: AH

1. A visual determination of accessible suspect materials and condition.
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5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS:

ANALYZE: ALL ☐ STOP AT FIRST POSITIVE x PLM xTEM

WCD GROUP
For pivotal matters
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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: Vornado
PROJECT SITE: 304 Canal Street
PROJECT MANAGER: Eric Telemaque

LOCATION(S) SURVEYED: B to R
SCOPE OF WORK: Interior Abt
INSPECTOR/S: Habeeb Rahim
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D (1, 2, 3, 4, 5, 6, 7 G MD P)	FRIAB (F NF)	%
3	3rd F.L.	29	5	Black Rayer Under	42.20 SF			PLM: TEM:
4	4th F.L.	30	5	12x12 Brown tiles	↓			PLM: TEM:
4	4th F.L. (Sections)	31	6	Cream 12X12 F.L.	20SF			PLM: TEM:
4	4th F.L. (Sections)	32	6	tiles & mastic	↓			PLM: TEM:
4	North end of 4th F	33	7	White F.L tiles 12x12 & mastic	50SF			PLM: TEM:
4	Northend of 4th F.L.	34	7	Gray 12"x12" F.L tile & mastic	↓			PLM: TEM:
4	By 4th F.L. Bathroom	35	8	Black 12"x12" F.L. tiles	30SF			PLM: TEM:
4	↓	36	8	↓	↓			PLM: TEM:
5	Entrance to 5th F.L.	37	9	Black 12"x12" F.L.	15SF			PLM: TEM:
5	↓	38	9	tiles & mastic	15SF			PLM: TEM:

CON D / FRIAB: 1, 2, 3, 4, 5, 6, 7 G MD P; F NF

PHYSICAL CONDITION ASSESSMENT
1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) / No (N) / Both Apply

TURN AROUND TIME: ☐ 6 HRS 24 HRS ☐ 48 HRS ☐ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Dianna S. DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: _____ DATE: _____ TIME: _____
ANALYZED BY: _____ DATE: 2/11/15 TIME: _____

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CERTIFICATE NO.: AH

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COMMENTS:

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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: vornado
PROJECT SITE: 30 ft Canal street
PROJECT MANAGER: E.T

LOCATION(S) SURVEYED : B-R
SCOPE OF WORK: Interior cut
INSPECTOR/S: M.R.
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
5	Entrance to 5th FL. under Black tiles	39	10	9"x9" Brown FL tiles	15 SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	↓	40	10	& mastic	√	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	On Floor 5th FL	41	11	12"x12" Red FL tile	2100	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	↓ ↓	42	11	& mastic	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	↓ ↓	43	11	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	5th FL. wall	44	12	white sheetrock &		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
4	4th FL wall	45	12	Joint compound		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd FL wall	46	12	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	2nd FL. wall	47	12	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st FL. wall	48	12	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT

1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
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6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE: Yes (Y) / No (N) / Both Apply

TURN AROUND TIME: ☐ 6 HRS 24 HRS ☐ 48 HRS ☑ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Dianna S. DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: _____ DATE: _____ TIME: _____
ANALYZED BY: _____ DATE: 2/11/15 TIME: _____

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COMMENTS:

ANALYZE: ALL ☑ STOP AT FIRST POSITIVE x PLM xTEM

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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.:
CLIENT: Vornado
PROJECT SITE: 30 ft Canal street
PROJECT MANAGER: E.T

LOCATION(S) SURVEYED : B - R
SCOPE OF WORK: Interior abt
INSPECTOR/S: HR
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
B	Basement ceiling	49	13	White & Brown		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1SF F.L. ceiling	50	13	coat Plaster		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	2nd F.L. wall	51	13	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd F.L. wall	52	13	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd F.L. ceiling	53	13	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
4	4th F.L. wall	54	13	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
5	5th F.L. wall	55	13	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st F.L. staircase	56	14	Glue under Black rubber		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
2	2nd F.L staircase	57	14	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT

1 Damaged or Significantly Damaged Friable TSI
2 Damaged Friable Surfacing ACM
3 Significantly Damaged Friable Surfacing ACM
4 Damaged or Significantly Damaged Friable Misc. ACM
5 ACBM with potential for Damage
6 ACBM with potential for Significant Damage
7 Remaining Friable or Suspect ACBM
G – Good / MD – Minor Damage / P -Poor

FRIABLE

Yes (Y)
No (N)
Both Apply

TURN AROUND TIME: ☐ 6 HRS ☑ 24 HRS ☐ 48 HRS ☐ OTHER

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Dianna S DATE: 2/10/15 TIME: 8:55pm
RELINQUISHED BY: _____ DATE: _____ TIME: _____
ANALYZED BY: _____ DATE: 2/11/15 TIME: _____

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

COMMENTS:

ANALYZE: ALL ☐ STOP AT FIRST POSITIVE x PLM xTEM

NYSDOL INSPECTOR:
CERTIFICATE NO.: AH

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PCT# B1502180

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: 15-7560
CLIENT: Vornado
PROJECT SITE: 304 Canal street
PROJECT MANAGER: E.T

LOCATION(S) SURVEYED: B - R
SCOPE OF WORK: Interior, Out
INSPECTOR/S: Habeeb Rahim
DATE(S) OF INSPECTION: 2/10/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	COND	FRIAB	%
R	Northend of Roof	58	15	Black Roof membrane	2100SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
R	Center of Roof	59	15	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
R	South end of Roof	60	15	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
R	North end of Roof	61	16	Black Roof flashing	100SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
R	Center of Roof	62	16	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
R	South end of Roof	63	16	↓	↓	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
						1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE	TURN AROUND TIME: ☐ 6 HRS ☑ 24 HRS ☐ 48 HRS ☐ OTHER	PLM – POLARIZED LIGHT MICROSCOPY TEM – TRANSMISSION ELECTRON MICROSCOPY	NYSDOL INSPECTOR: CERTIFICATE NO.: AH
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N) Both Apply	RELINQUISHED BY: [signature] DATE: TIME: RECEIVED BY: Dianna S DATE: 2/10/15 TIME: 8:55pm RELINQUISHED BY: DATE: TIME: ANALYZED BY: [signature] DATE: 2/11/15 TIME:		

COMMENTS:

ANALYZE: ALL ☑ STOP AT FIRST POSITIVE x PLM xTEM

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
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8. A Chain of Custody record accompanied the samples to the laboratory.

METRO ANALYTICAL LABORATORIES
255 West 36th St., Suite 101
New York, NY 10018
p: (212) 695-0165 f: (212) 695-0183

ASBESTOS ANALYSIS of BULK SAMPLE by POLARIZED LIGHT MICROSCOPY and TRANSMISSION ELECTRON MICROSCOPY

Client: **WCD**
Address: 1350 Broadway
New York NY 10018-0891
P: (212) 631-9000 F: (212) 631-8066

Contact: **Eric Telemaque**
M:
E: etelemaque@wcdgroup.com

Contract: **N/A**
Client Job #:
Location:

Sampled By: N/A
Sampled Date: N/A
Turnaround Time: 48 hrs

Metro Lab ID #: B1502362

Sample Received: 2/20/2015
PLM Analysis Date: 2/21/2015
TEM Analysis Date: 2/21/2015
Report By: Mary Rodriguez
Report Date: 2/21/2015

Summary of Analysis

LAB ID #	Client Sample #	Sample Description	Test	Fibrous Material	Non-Fibrous Material	Asbestos		Total Asbestos
1	1	Blue Homogenous NOB B - BASEMENT FLOOR - BLUE 12X12 FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
2	2	Blue Homogenous NOB B - BASEMENT FLOOR - BLUE 12X12 FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
3	3	Black Homogenous NOB B - BASEMENT FLOOR - MASTIC UNDER 12X12 BLUE TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
4	4	Black Homogenous NOB B - BASEMENT FLOOR - MASTIC UNDER 12X12 BLUE TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
5	5	White Homogenous NOB 1 - 1ST FL FAÇADE WINDOW - WINDOW CAULKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
6	6	White Homogenous NOB 1 - 1ST FL FAÇADE WINDOW - WINDOW CAULKING	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
7	7	Black Homogenous NOB 1 - ELEVATOR WINDOW - CAULKING (BLACK)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
8	8	Black Homogenous NOB 1 - ELEVATOR WINDOW - CAULKING (BLACK)	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
9	9	Off-White Homogenous NOB 3 - 3RD FL BATHROOM - 12"X12" OFF WHITE FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	
10	10	Off-White Homogenous NOB 3 - 3RD FL BATHROOM - 12"X12" OFF WHITE FL TILES	NY ELAP 198.1 NY ELAP 198.6 NY ELAP 198.4			 Inconclusive 	 None Detected None Detected	

Comments

Ramprasad Yallabandi
Laboratory Director

Mike Isaac
Laboratory Analyst - PLM

Moe Soliman
Laboratory Analyst - TEM

NYS ELAP ID # 12003

NVLAP Lab Code: 500081-0

METRO ANALYTICAL LABORATORIES
255 West 36th St., Suite 101
New York, NY 10018
p: (212) 695-0165 f: (212) 695-0183

Report Notes

Notes Regarding All Reports

• The samples in this report were not collected by this laboratory.

• Samples are received in good condition, except if noted.

• All inhomogeneous layers of the bulk samples were analyzed separately.

• The report shall not be reproduced, except in full, without the written approval of the laboratory.

• This report relates only to the samples tested. It may not be used by the client to claim project endorsement by NVLAP, NYS ELAP, or any other government agency.

• All samples will be properly disposed of after 60 days.

• Percentages are calculated using the EPA equivalent Stratified Point-Count Method.

• Analytical results are sometimes based on the residue percentage(s) provided by the client along with the filters. Trace denotes asbestos detected at < 1%. Smiliarly, samples below quantitation limit (RL) are reported with a less than sign (<).

• Quality Control data (including 95% confidence limits, laboratory / analysis accuracy and precision) is available upon request.

• Polarized Light Microscopy is not consistently reliable in detecting asbestos in floor coverings and similar non-friable organically bound materials. Quantitative TEM is currently the only method that can be used to determine if this material can be considered or treated as non-asbestos containing.

Notes Regarding All Tests

• Bulk Sample Analysis by Polarized Light Microscopy (PLM) Friable adheres to EPA/600/M4-082-20 or NYS ELAP 198.1.

• Bulk Sample Analysis by Polarized Light Microscopy (PLM) NOB adheres to NYS ELAP 198.6. This method does not remove vermiculite and may underestimate the level of asbestos present in a sample containing greater than 10% vermiculite.

• Bulk Sample Analysis by Transmission Electron Microscopy (TEM) NOB adheres to NYS ELAP Method 198.4.

• Air Sample Analysis by Phase Contrast Microscopy (PCM) adheres to Method NIOSH-7400.

• Air Sample Analysis by Transmission Electron Microscopy (TEM) adheres to Method EPA CFR Part 763 Final Rule (AHERA).

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Phone: 212.631.9000 / Fax: 212.631.8066

PCT# B1502363

ASBESTOS FIELD SURVEY DATA SHEET / BULK SAMPLE LOG

EMTEQUE PROJECT NO.: 15-7556
CLIENT: Vornado
PROJECT SITE: 304 Canal St. NY, NY
PROJECT MANAGER: Mike Garambone

LOCATION(S) SURVEYED: Entire Bld.
SCOPE OF WORK: Full Building Survey
INSPECTOR/S: Habeeb Rahim
DATE(S) OF INSPECTION: 2/20/15

FUNCTIONAL SPACE		SAMPLE No.	HOMOGENEOUS		QUANTITY	ASSESSMENT		ASBESTOS CONTENT
FLOOR	AREA DESCRIPTION		HID	MATERIAL DESCRIPTION	(LF/SF)	CON D	FRIAB	%
B	Basement Floor	1	1	Blue 12x12 Fl. tiles		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	2	1	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	3	1	mastic under 12x12 Blue tiles		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
B	↓	4	1	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	1st Fl. facade window	5	2	window caulking	100LF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	6	2	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	Elevator window	7	3	Caulking (Black)		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
1	↓	8	3	↓		1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	3rd Fl. Bathroom	9	4	12"x12" Off wht Fl. tiles	10SF	1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:
3	↓	10	4			1, 2, 3, 4, 5, 6, 7 G MD P	F NF	PLM: TEM:

PHYSICAL CONDITION ASSESSMENT	FRIABLE
1 Damaged or Significantly Damaged Friable TSI 2 Damaged Friable Surfacing ACM 3 Significantly Damaged Friable Surfacing ACM 4 Damaged or Significantly Damaged Friable Misc. ACM 5 ACBM with potential for Damage 6 ACBM with potential for Significant Damage 7 Remaining Friable or Suspect ACBM G – Good / MD – Minor Damage / P -Poor	Yes (Y) No (N) Both Apply

TURN AROUND TIME: ☐ 6 HRS 24 HRS ☒ 48 HRS ☐ OTHER

PLM – POLARIZED LIGHT MICROSCOPY
TEM – TRANSMISSION ELECTRON MICROSCOPY

RELINQUISHED BY: _____ DATE: _____ TIME: _____
RECEIVED BY: Mike Abadir DATE: 2/20/15 TIME: 5:30
RELINQUISHED BY: _____ DATE: _____ TIME: _____
ANALYZED BY: _____ DATE: _____ TIME: _____

NYSDOL INSPECTOR:
CERTIFICATE NO.: AH

1. A visual determination of accessible suspect materials and condition.
2. Collect bulk samples of suspect building materials.
3. A physical "Hand Pressure" test for determining friability and condition.
4. Assessment of suspect friable and non-friable materials and locations.
5. Quantify the amount of suspect materials in their respective locations.
6. Submit bulk samples for analysis by PLM and/or TEM Method.
7. Bulk Sample locations and suspect materials were identified on the appropriate building floor plan diagram with the sample number.
8. A Chain of Custody record accompanied the samples to the laboratory.

COMMENTS:

ANALYZE: ALL ☑ STOP AT FIRST POSITIVE x PLM xTEM

Appendix B

Photographs of Typical Conditions

5th Floor – Non-ACM Floor Covering

3rd Floor – 12"x12" Floor Tile and Mastic (ACM)

Roof – Membrane (ACM)

Roof – Flashing (ACM)

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www.wcdgroup.com

Client:

Vornado Realty Trust
888 7th Avenue
New York, NY 10019

Project Location:

304 Canal Street
New York, NY 10013

Location:

Various

Description:

Photo Log

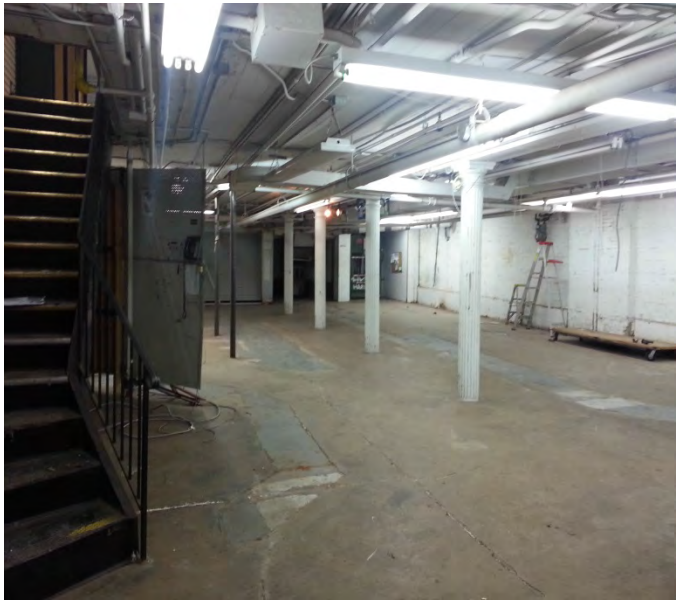
Project No.:

15-7556

Date:

2/10/2015

Page No.:	Taken By:
001	Habeeb Rahim



Cellar – Non ACM Floor Covering

Cellar

Cellar – Fire Pump Room

5th Floor – 9"x9" Floor Tile and Mastic under tile & wood subfloor (ACM)

WCD GROUP
For pivotal matters.

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www.wcdgroup.com

Client:

Vornado Realty Trust
888 7th Avenue
New York, NY 10019

Project Location:

304 Canal Street
New York, NY 10013

Location:

Various

Description:

Photo Log

Project No.:

15-7556

Date:

2/10/2015

Page No.:	Taken By:
002	Habeeb Rahim

Appendix C

Certifications

STATE OF NEW YORK - DEPARTMENT OF LABOR
ASBESTOS CERTIFICATE

N.Y.S

HABEEB M RAHIM
CLASS(EXPIRES)
C ATEC(06/15) D INSP(06/15)
H PM (06/15)

CERT# 10-14841
DMV# 478693513

MUST BE CARRIED ON ASBESTOS PROJECTS

NYC DEP ASBESTOS CONTROL PROGRAM
ASBESTOS CERTIFICATE

GARAMBONE,
MICHAEL J
INVESTIGATOR
117923

EXPIRES: 2/13/2016
DOB:2/13/1974 M 5' 11"

MUST BE CARRIED ON ALL ASBESTOS PROJECTS

United States Department of Commerce
National Institute of Standards and Technology

Certificate of Accreditation to ISO/IEC 17025:2005

NVLAP LAB CODE: 500081-0

Metro Analytical Laboratories, LLC.

New York, NY

is accredited by the National Voluntary Laboratory Accreditation Program for specific services, listed on the Scope of Accreditation, for:

BULK ASBESTOS FIBER ANALYSIS

This laboratory is accredited in accordance with the recognized International Standard ISO/IEC 17025:2005. This accreditation demonstrates technical competence for a defined scope and the operation of a laboratory quality management system (refer to joint ISO-ILAC-IAF Communique dated January 2009).

2014-10-01 through 2015-09-30

Effective dates

For the National Institute of Standards and Technology

NVLAP-01C (REV. 2009-01-28)

NEW YORK STATE DEPARTMENT OF HEALTH
WADSWORTH CENTER

Expires 12:01 AM April 01, 2015
Issued April 01, 2014

CERTIFICATE OF APPROVAL FOR LABORATORY SERVICE

Issued in accordance with and pursuant to section 502 Public Health Law of New York State

NY Lab Id No: 12003

MR. RAMPRASAD YALLABANDI
METRO ANALYTICAL LABORATORIES, LLC.
255 WEST 36TH STREET SUITE #203
NEW YORK, NY 10018-0022

is hereby APPROVED as an Environmental Laboratory for the category
ENVIRONMENTAL ANALYSES SOLID AND HAZARDOUS WASTE
All approved subcategories and/or analytes are listed below:

Miscellaneous

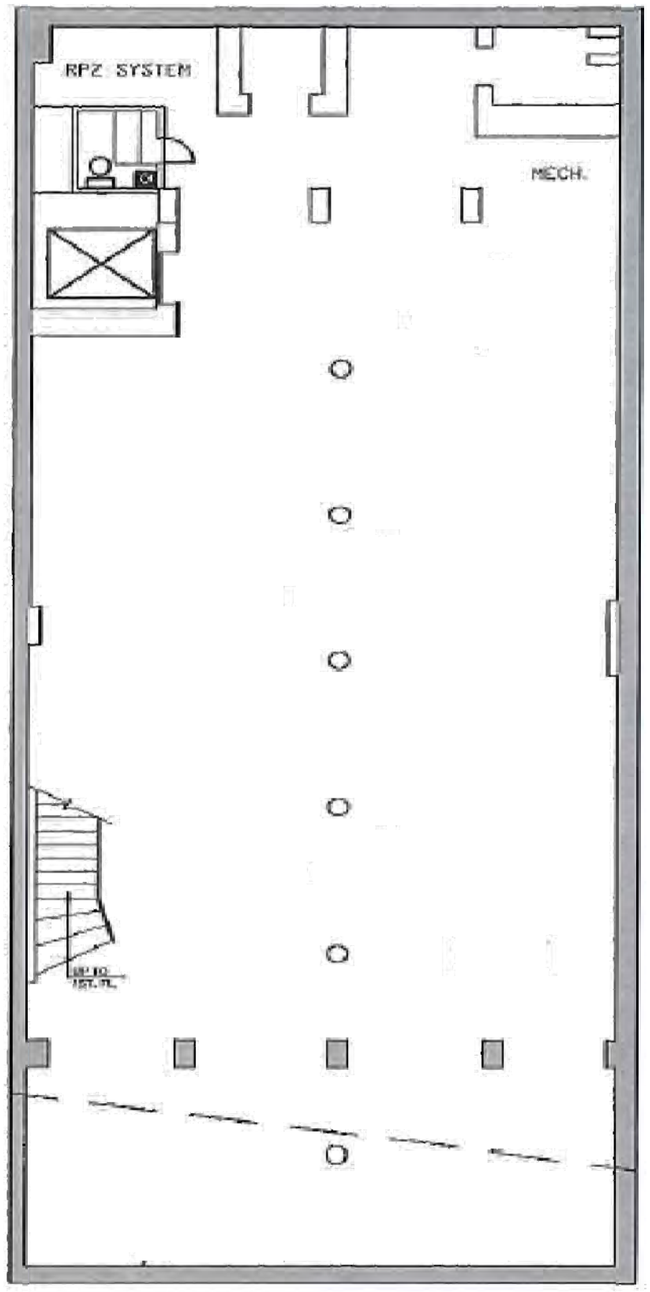
Asbestos in Friable Material	Item 198.1 of Manual
	EPA 600/M4/82/020
Asbestos in Non-Friable Material-PLM	Item 198.6 of Manual (NOB by PLM)
Asbestos in Non-Friable Material-TEM	Item 198.4 of Manual

Serial No.: 51019

Property of the New York State Department of Health. Certificates are valid only at the address shown, must be conspicuously posted, and are printed on secure paper. Continued accreditation depends on successful ongoing participation in the Program. Consumers are urged to call (518) 485-5570 to verify the laboratory's accreditation status.

Appendix D

Asbestos Containing Materials Locations Drawings



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NEW YORK, NY 10019

No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 1013

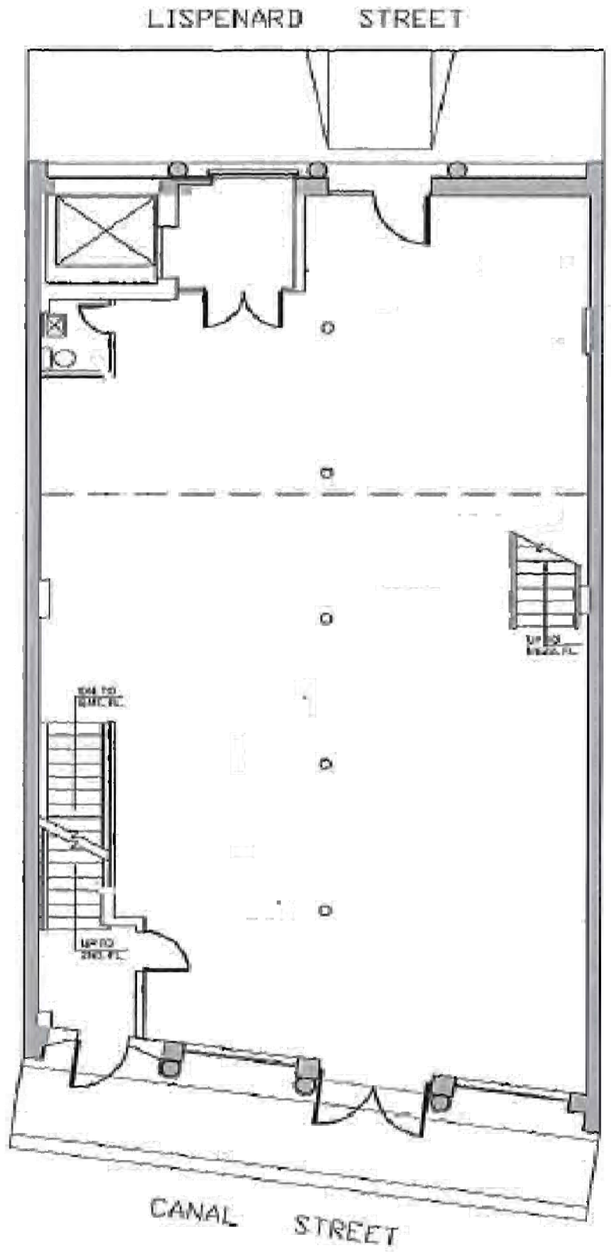
DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	CELLAR
Date: 2-10-15	
Scale: NTS	Sheet No. 1



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No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET

DRAWING TITLE

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 1013

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	GROUND FI
Date: 2-10-15	
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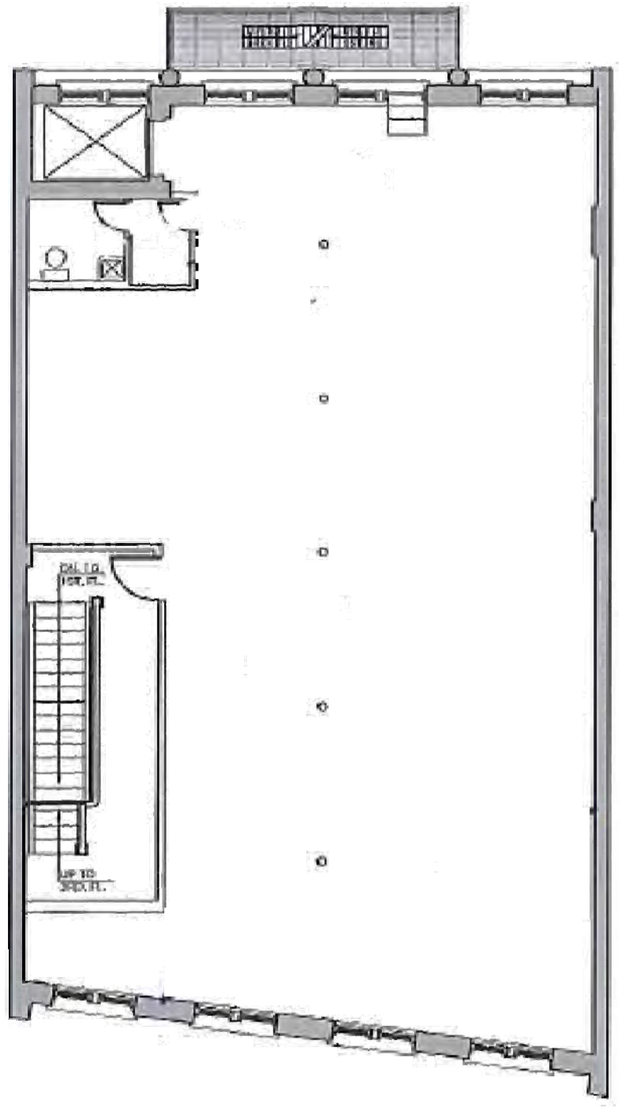

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NEW YORK, NY 10019

No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 10013

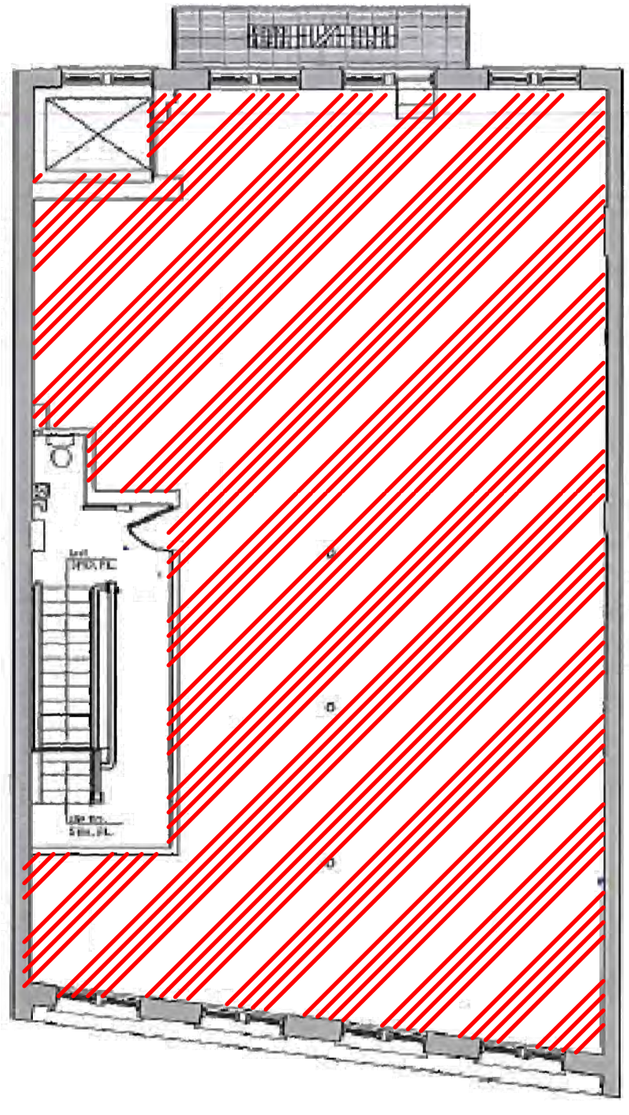
DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	2ND FI
Date: 2-10-15	
Scale: NTS	Sheet No. 1



12" ✖ 12" FLOOR TILE (BROWN)
W/ ASSOCIATED MASTIC & TAR PAPER

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CLIENT:

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888 7TH AVENUE
NEW YORK, NY 10019

No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 10013

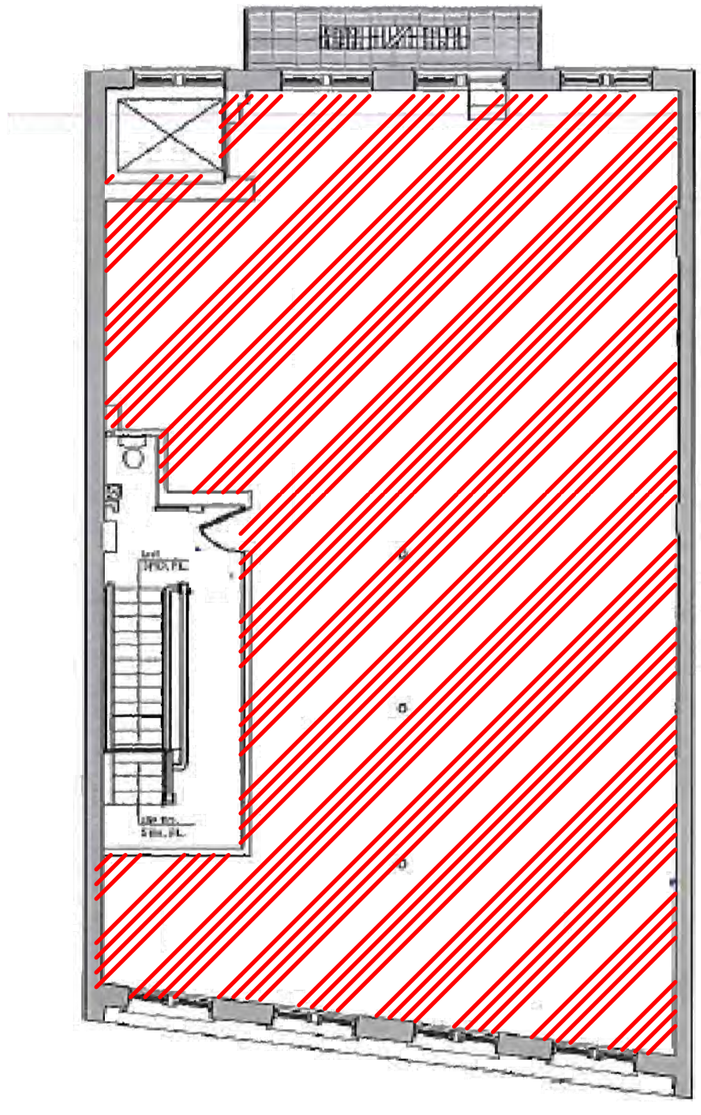
DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	3RD FI
Date: 2-10-15	
Scale: NTS	Sheet No. 1



12" ✖ 12" FLOOR TILE (BROWN)
W/ ASSOCIATED MASTIC & TAR PAPER

WCD GROUP
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New York, New York 10018
Phone: (212) 631-9000
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No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

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(FORMER PEARL PAINT)
NEW YORK, NY 10013

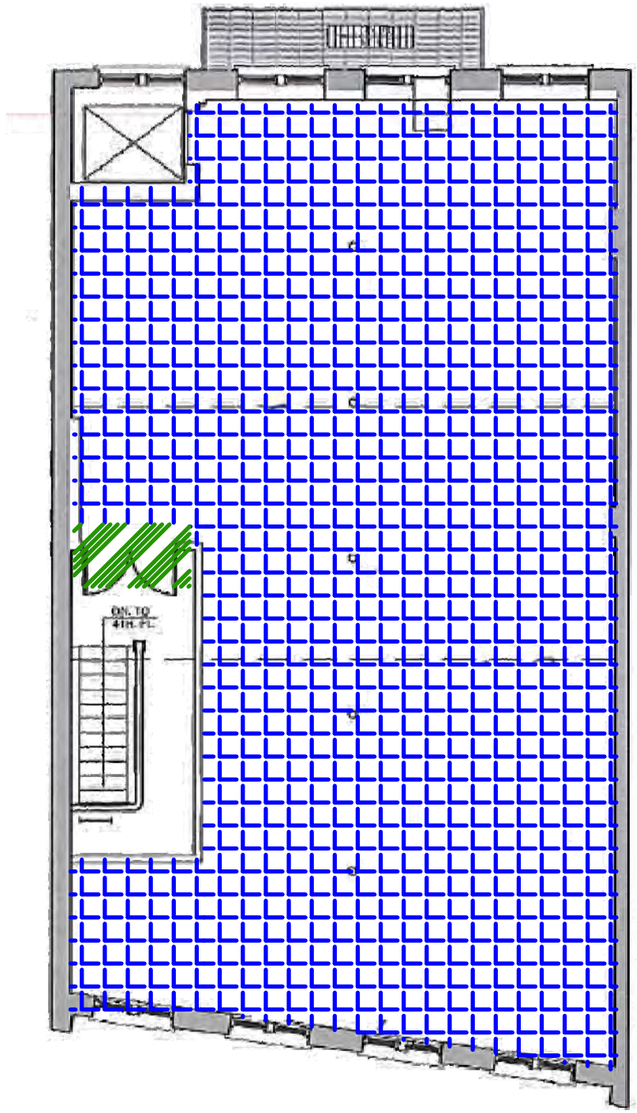
DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	4TH FI
Date: 2-10-15	
Scale: NTS	Sheet No. 1



LEGEND:

9" x 9" FLOOR TILE (BROWN)
UNDER EXISTING TILE (BLACK)

9" x 9" FLOOR TILE UNDER EXISTING
SUBFLOOR AND 12" x12" RED FLOOR TILE

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CLIENT:

VORNADO REALTY TRUST
888 7TH AVENUE
NEW YORK, NY 10019

No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 10013

DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

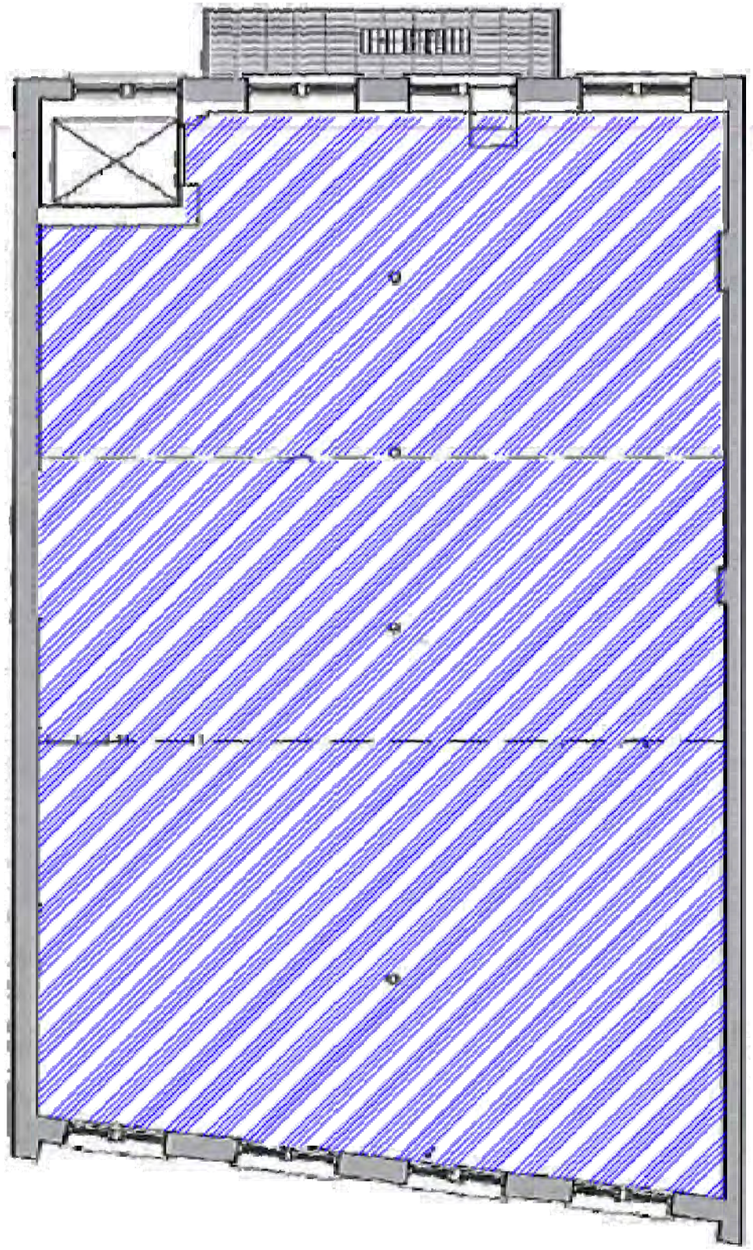
DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	5TH FI
Date: 2-10-15	
Scale: NTS	Sheet No. 1

LEGEND:

ROOF MEMBRANE & FLASHING



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CLIENT:

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NEW YORK, NY 10019

No.	Revision/Issue	Date

PROJECT NAME AND ADDRESS

304 CANAL STREET
(FORMER PEARL PAINT)
NEW YORK, NY 10013

DRAWING TITLE

ASBESTOS SURVEY
ACM LOCATIONS

DRAWN BY: LATISHA

REVIEWED BY: MICHAEL GARAMBONE

Project	Drawing Name
15-7556	ROOF
Date: 2-10-15	
Scale: NTS	Sheet No. 1

EXHIBIT 12

LOCAL LAW 1 OF 2004 (LEAD BASED PAINT)

Document By WESTLAW

New York City, N.Y., Local Law No. 1 Int. 101-A (2004)
NEW YORK CITY CHARTER, CODE, AMENDMENTS & RULES
NEW YORK CITY LOCAL LAWS - (2004)

Additions are indicated by <<+Text+>>; deletions by <<-Text->>. Changes in tables are made but not highlighted.

LOCAL LAW No. 1 (2004)

Int. 101-A

Vetoed Dec. 16, 2003, overridden Feb. 4, 2004 effective Aug. 2, 2004 with special provisions

A Local Law to amend the administrative code of the city of New York, in relation to childhood lead poisoning prevention, including the avoidance and remediation of lead-based paint hazards in housing and day care facilities, the repeal of local law number 38 for the year 1999 and the repeal of subdivision h of section 27-2013 and section 27-2126 of such code.

Be it enacted by the Councill as follows:

Section 1. This local law shall be known and may be cited as the New York City Childhood Lead Poisoning Prevention Act of 2003.
§ 2. Local law number 38 for the year 1999 is hereby REPEALED.
§ 3. Local Law number 1 for the year 1982 is hereby REPEALED.
§ 4. Local law number 50 for the year 1972 is hereby REPEALED.
§ 5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:
§ 27-2056.1
Statement of Findings and Purposes.
§ 27-2056.2
Definitions.
§ 27-2056.3
Owners' Responsibility to Remediate.
§ 27-2056.4
Owners' Responsibility to Notify Occupants and Investigate.
§ 27-2056.5
Presumption.
§ 27-2056.6
Violation in a Dwelling Unit.
§ 27-2056.7
Audit and Inspection by Department following Commissioner's order to abate.
§ 27-2056.8
Violation in a Dwelling Unit Upon Turnover.
§ 27-2056.9
Department Inspections.
§ 27-2056.10
Department Implementation and Enforcement.
§ 27-2056.11

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Work Practices.
§ 27-2056.12
Reporting.
§ 27-2056.13
Transmittal of Violations to the Department of Health and Mental Hygiene.
§ 27-2056.14
Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.
§ 27-2056.15
Waiver of Benefit Void.
§ 27-2056.16
Exemption for Emergency Conditions.
§ 27-2056.17
Record Keeping Requirements.
§ 27-2056.18
Application of this article based on age of child.

<< +

§ 27-2056.1 Statement of findings and purposes.<< + The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in dwellings that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, “Identification of Dangerous Levels of Lead; Final Rule” Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, “Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing” (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate

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of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§ 27-2056.2 Definitions.<< + Whenever used in this article the following terms shall have the following meanings:

(1) “Chewable surface” shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. “Chewable surface” shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) “Common area” shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) “Deteriorated subsurface” shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) “Friction Surface” shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) “Impact Surface” shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) “Lead-based paint hazard” shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) “Lead-based paint” shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development “Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing” (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) “Lead-contaminated dust” shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) “Lead-contaminated dust clearance test” shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

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(10) “Peeling” shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) “Remediation” or “Remediate” shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) “Rule” or “rules” shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) “Turnover” shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) “Underlying defect” shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) “Window” shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§ 27-2056.3 Owners' Responsibility to Remediate.<< + The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§ 27-2056.4 Owners' Responsibility to Notify Occupants and to Investigate. << + a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following

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year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

(i) by first class mail, addressed to the occupant of the dwelling unit;

(ii) by hand delivery to the occupant of the dwelling unit;

(iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or

(iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§ 27-2056.5 Presumption. << +a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas

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is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§ 27-2056.6 Violation in a Dwelling Unit.<< + The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§ 27-2056.7 Audit and inspection by department following commissioner's order to abate.<< + a. When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§ 27-2056.8 Violation in a Dwelling Unit Upon Turnover.<< + a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;

(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;

(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

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§ 27-2056.9 Department Inspections.<< + a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§ 27-2056.10 Department Implementation and Enforcement.<< + a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance

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on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§ 27-2056.11 Work Practices.<< + a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of

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subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm, and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory

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to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§ 27-2056.12 Reporting.<< + a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§ 27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene.<< + The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§ 27-2056.14 Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development.<< + Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of

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the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§ 27-2056.15 Waiver of Benefit Void.<< + a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§ 27-2056.16 Exemption for Emergency Conditions.<< + For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§ 27-2056.17 Record Keeping Requirements.<< + The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§ 27-2056.18 Application of this article based on age of child.<< + For the purposes of this article, the term “applicable age” shall mean “under seven years of age” for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine “applicable age” for the purposes of some or all of the provisions of this article to mean “under six years of age,” but no lower. +>>

§ 6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision (l) to read as follows:

<< +(l)(1) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be

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necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

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(i) That the condition which constitutes the violation did not exist at the time the violation was placed; or

(ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or

(iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or

(iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article. +>>

§ 7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

<< +§ 17-179 Department Screening, Diagnosis, and Treatment.<< + a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§ 17-180 Training of Department Personnel.<< + The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§ 17-181 Lead-based paint; dry scraping and dry sanding prohibited.<< + The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§ 17-185 Inspection by the Department of Unsafe Work Practices.<< + The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§ 17-186 Lead poisoning prevention in children.<< + a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant

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federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request. +>>

§ 8. Subdivision 1 of subsection a of section 11-243 of the administrative code of the city of New York is amended to read as follows:

1. “Alteration” and “improvement”: a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, <<-except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and->> provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by <<-regulations->> << +rules +>> adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by <<-regulations->> << +rules +>>adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

§ 9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9

Lead-Based Paint in Day Care Facilities

Subchapter 1

Definitions

§ 17-900 Definitions.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§ 17-910 Presumption.

§ 17-911 Remediation.

§ 17-912 Department Rules.

§ 17-913 Annual Survey.

Subchapter 1

Definitions

1. “ Chewable surface” shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. “Chewable surface” shall also mean any other type of interior edge or protrusion in a day care facility, such

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as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. “Day care facility” shall mean any facility used to provide day care service.

3. “Day care service” shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. “Deteriorated subsurface” shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

5. “Friction Surface” shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. “Impact Surface” shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. “Lead-based paint” shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development “Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing” (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. “Lead-based paint hazard” shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. “Lead-contaminated dust” shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. “Operator of such day care facility” shall mean any person who provides day care service and the owner of the premises where such day care facility is located. “Person” shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. “Peeling” shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. “Remediation” or “Remediate” shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to

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rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§ 17-911 Remediation.<< + a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.

c. Any equipment that is painted shall be painted with lead-free paint.

d. Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.

e. When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.

§ 17-912 Department rules.<< + The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

§ 17-913 Annual Survey.<< + The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department. +>>

§ 10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§ 11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§ 12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

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EXHIBIT 12

LEAD BASED PAINT VISUAL ASSESSMENT

WARREN & PANZER ENGINEERS P.C.

Lead Paint Visual Assessment

PROJECT #: 2345.01.01

DATE: July 19th, 2023

CLIENT: Vornado

LOCATION: 304 Canal Street
2nd, 3rd, 4th, 5th and 2 Retail Stores
New York, N.Y.

PROJECT COMPLETION DATE:

July 19th, 2023

warrenpanzer
environmental management consulting services

LEAD PAINT VISUAL ASSESSMENT

304 CANAL STREET
2nd, 3rd, 4th, 5th and 2 Stores
New York, N.Y.

TABLE OF CONTENTS

APPENDICIES:

- Review of Inspection
- Photos
- Lead Hazard Clearance Examination

LEAD PAINT VISUAL ASSESSMENT

304 CANAL STREET
2nd, 3rd, 4th, 5th and 2 Stores
New York, N.Y.

June 19th, 2023

Mr. Nick Conti

RE: Lead Paint Visual Assessment
304 Canal Street, 2nd 3rd, 4th, 5th & 2 Stores

Dear Mr. Conti,

Warren Panzer Engineers PC conducted lead paint assessment at the above-mentioned premises. A site visit was conducted by a Warren Panzer Consulting Rep., Mr. Bode Aluko, on July 19th, 2023. During the walkthrough, entire apartments from 2nd, 3rd, 4th, 5th, 1st store, and basement store, were accessed and inspected for evidence of potential lead paint.

The following observations were made on arrival:

Apartments, Interior throughout

- No peeling, chipping, aligating or bubbling paint
- No visible signs of stains on walls, ceiling, columns, windowsills and base board
- No suspicious growth observed.
- This involves the foyer, master bedroom, bedrooms 1 & 2, kitchen, bathroom and two retail stores.

Conclusion: At the time of the assessment, no lead paint was observed within the above-mentioned premises.

Warren Panzer Engineers P.C. appreciates the opportunity to work for you. Should you have any questions or require additional information, feel free to contact

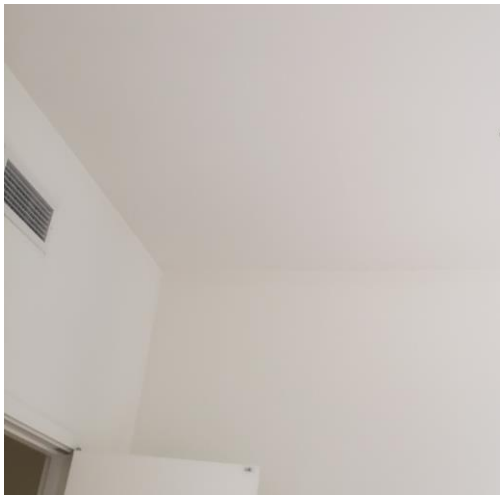
Warren Panzer Engineers P.C.

Thank you,

Bode Aluko

Certified Risk Assessor

LIC# LBP-R- I202145-2



LEAD PAINT VISUAL ASSESSMENT

304 CANAL STREET
2nd, 3rd, 4th, 5th and 2 Stores
New York, N.Y.

LEAD PAINT VISUAL ASSESSMENT

304 CANAL STREET
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LEAD PAINT VISUAL ASSESSMENT

304 CANAL STREET
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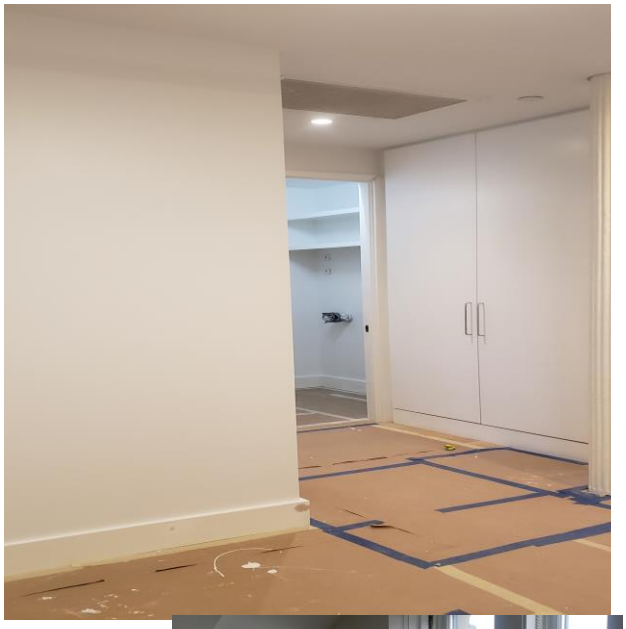

LEAD PAINT VISUAL ASSESSMENT

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LEAD PAINT VISUAL ASSESSMENT

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Form 15.1 Visual Assessment - Lead Hazard Clearance Examination.

Property address 304 CANAL STREET, 2ND, 3RD, 4TH, 5TH & 2 STORES

Name of client NICK CONTI

Name of clearance examiner BODE ALUKO Certification No.: LBP-R-1202143-2

Date of visual assessment: 07/19/23 Repeat visual assessment? ☑ Yes ☐ No

This form covers ☐ Dwelling units (specify which units) _____

☐ Common areas (specify which areas) _____

☐ Exterior areas/outbuildings (specify) _____

Any deteriorated paint, visible dust, paint chips, or paint related debris observed ☐ Yes ☑ No

If "Yes" record observations in the table below

Room, Area, or Side of Building (if exterior)	Building Component or Other Surface (such as ground or vegetation	Additional Notes on Specific Location	Description of Problem (i.e., deteriorated paint, visible dust, paint chips, or paint-related debris
FOYER	COLUMN CIELING, WALL	NONE	INTACT
LIVING RM	WALL, CEILING WINDOW SILL	NONE	INTACT
MASTER BDRM	COLUMN, CEILING WALL, WINDOWS	NONE	INTACT
BEDRM 1	CEILING, WALL	NONE	INTACT
BEDRM 2	COLUMN, WALLS	NONE	INTACT
KITCHEN	CEILING, WALLS	NONE	INTACT
BATHRMS	CEILING, WALLS	NONE	INTACT

Notes (include any explanations by the client of why deteriorate paint has not been repaired; also include any instructions to client regarding further cleaning):

N/A

Signature of clearance examiner: _____

CamScanner

United States Environmental Protection Agency

This is to certify that

Bode Aluko

has fulfilled the requirements of the Toxic Substances Control Act (TSCA) Section 402, and has received certification to conduct lead-based paint activities pursuant to 40 CFR Part 745.226 as:

Risk Assessor

In the Jurisdiction of:

All EPA Administered Lead-based Paint Activities Program States, Tribes and Territories

This certification is valid from the date of issuance and expires February 27, 2026

LBP-R-I202143-2
Certification #

January 20, 2023
Issued On

Ben Conetta, Chief
Chemicals and Multimedia Programs Branch

CamScanner